

Israeli Court Rejects Plea To Call Off Expulsions

Army Says It Is Ready To Use Force to Prevent Palestinians' Return

By Clyde Haberman
New York Times Service

JERUSALEM — Israel's Supreme Court rejected Tuesday that 415 banished Palestinians be brought back to Israeli territory because Lebanon refuses to receive them.

The ruling came as the Lebanese Army reportedly blocked international relief workers from bringing supplies to the Palestinians, forcing them to begin rationing their food and water in their tent camp in southern Lebanon between Israeli and Lebanese checkpoints.

The effect of all this was to raise the stakes in a three-way battle of wills under way since Thursday, when Israel expelled the Palestinians as Islamic extremists intent on killing Israelis and the Middle East peace talks.

Lebanon says it will not be Israel's dumping ground and wants the Palestinians to turn back. Israel, condemned around the world for the deportations, says the exiles are owed on Lebanese soil and therefore Lebanon's responsibility, a position accepted by the court Tuesday.

The Palestinians agree that Lebanon should keep them out, since that may increase international pressure on Israel to return them to the occupied West Bank and Gaza Strip. But they also must contend with the harsh realities of bitter cold, limited supplies and shelling from the Israeli side to keep them where they are.

When the Palestinians, under orders from Lebanese troops, started marching on Monday toward the "security zone," that Israel declares for itself in a strip of southern Lebanon, Israel's client Lebanese militia fired mortars and machine-gun rounds to scare them away.

The tactic worked. However, oews agencies in southern Lebanon reported Tuesday that five Palestinians were wounded to several shelling, including one who a spokesman for the group said was in serious condition.

But Prime Minister Yitzhak Rabin was quoted as telling an Israeli parliamentary committee that he knew of no one who had been hurt and that "everything was a show." Nonetheless, a senior official said that Israeli soldiers were being sent to the area to replace the Lebanese militiamen, who are considered likely to be quicker on the trigger.

Israeli commanders emphasized, however, that their troops, too, are prepared to use force to turn back the deported men.

Mr. Rabin's point to the committee has been a recurring Israeli theme: that Lebanon's refusal to receive the Palestinians and its decision to block relief supplies are part of a cynical campaign to make Israel look bad and to draw attention away from its charges that the exiles are instigators of violence.

"What has happened in the last two days is a political and public relations game," Lieutenant General Ehud Barak, army chief of staff, told the Supreme Court.

If so, other Israeli officials acknowledge, it is a game in which they are trailing because, even-
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Trans-Atlantic Air Deal Collapses

By Lawrence Malkin
International Herald Tribune

NEW YORK — British Airways on Tuesday backed out of its plan for what would have amounted to a trans-Atlantic merger with USAir after Washington's terms to open London's Heathrow Airport to more flights by U.S. airlines proved too stiff.

The British decision followed a personal appeal last weekend by Prime Minister John Major in his farewell visit to President George Bush. The Bush administration's position, backed by major American carriers, was made politically easier by the firm opposition to the deal expressed during this year's election campaign by Bill Clinton.

Airline analysts said that in any case it would have challenged the postwar market-sharing agreements that underpin international commercial aviation, which few governments are yet prepared to do.

USAir said it would continue to discuss some other kind of link with the British. British Airways in London pledged talks on "alternative

relationships" with its putative partner, which is the fourth largest airline in the United States but has been suffering heavy losses.

Airline analysts said they would probably conclude a marketing agreement that would help direct trans-Atlantic passengers from one line to the other but would not be able to feed them directly from dozens of U.S. cities served by USAir but not by British Airways.

And analysts in London noted that British Airways could now turn its attention to integrating with Australia's Qantas Airways, in which it purchased a 25 percent stake last week.

Transportation Secretary Andrew H. Card, obviously relieved to drop a case that he said had attracted more than 100,000 pieces of correspondence and taken more of his time than any issue except Hurricane Andrew, announced that he no longer had any reason to rule on the deal, which he had previously promised to do before Christmas.

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Clinton Names Aspin To Defense Post, and Christopher to State

His Foreign Policy Team Includes Carter Officials and Arms Experts

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — President-elect Bill Clinton named a seasoned foreign policy team Tuesday that draws its experience from the presidency of Jimmy Carter. From years of arms control talks in Europe and from the debacle of Vietnam.

As expected, Mr. Clinton nominated a trusted friend, Warren M. Christopher, to be secretary of state, and Representative Les Aspin, chairman of the House Armed Services Committee, to be secretary of defense.

They will be joined by W. Anthony Lake, a former foreign service officer and State Department policy planning chief, who will serve as national security adviser in the White House.

As director of central intelligence, Mr. Clinton nominated a former undersecretary of the navy and U.S. arms negotiator, R. James Woolsey Jr.

Mr. Clinton said his nominees would carry out a "foreign policy of engagement" in what he called a "very volatile world."

He has publicly praised the teamwork that characterized the foreign policy officials who worked under President George Bush, and in making these appointments he emphasized the need for strong coordination of U.S. foreign policy.

The chairman of the Joint Chiefs of Staff, General Colin L. Powell, is due to remain in his job until his command ends in October.

In addition, Mr. Clinton will raise to cabinet rank the role of ambassador to the United Nations, and he nominated Madeleine K. Albright, a Russian-affairs expert, former National Security Council staff member and longtime Democratic Party adviser, to take the job.

The Clinton team is expected to bow closely to the pragmatic multilateralism Mr. Bush, but put more emphasis on human rights and democracy.

In a pre-election interview with The New York Times, Mr. Lake said: "American foreign policy over the last decade has been based on being prepared to meet the likely military threats of the '90s, not on fighting the wars of the 1970s; on promoting democracy in practical ways and on rebuilding our domestic economy to remain engaged abroad."

Mr. Clinton, speaking in Little Rock, Arkansas, also nominated as deputy secretary of state Clinton R. Wharton Jr., a prominent black educator and economist who has long expertise in Third World, development and agricultural issues.

As Mr. Lake's deputy, Mr. Clinton named Samuel R. (Sandy) Berger, who is the head of his national security transition team.

Mr. Christopher, 67, is a taciturn lawyer and diplomat who served under Mr. Carter as deputy secretary of state. Perhaps his best known diplomatic effort was the loog and thorny attempt to free American diplomats held in Iran in 1980. Mr. Carter this month called Mr. Christopher the finest public servant he had ever worked with. Mr. Clinton called him "a

truly distinguished American, a man of unparalleled judgment."

After being named, Mr. Christopher called for bipartisan support in continuing the Middle East peace process and the humanitarian effort in Somalia. He also called for "bold new thinking" to deal with "a vastly more complicated era."

Mr. Christopher gained recent national prominence by heading a commission in Los Angeles to investigate the city police force after the videotaped beating of a black motorist, Rodney G. King.

A longtime supporter of Mr. Clinton, he also directed the search this year for the governor's vice presidential running mate and is director of the president-elect's transition team, which is screening all cabinet nominees.

Born in North Dakota, Mr. Christopher graduated from the University of Southern California and earned a law degree at Stanford University. He is a U.S. Navy veteran and was a law clerk for Supreme Court Justice William O. Douglas. He has interrupted his law practice in Los Angeles several times to enter government service, notably as a deputy U.S. attorney general under President Lyndon B. Johnson and as deputy secretary of state under Mr. Carter.

He served on a California state commission that investigated rioting in 1965 in the Watts

section of Los Angeles. He has been a director of Lockheed Corp., a major defense contractor, and served as head of the Stanford board of trustees. He has also served on a variety of federal trade teams negotiating textiles agreements in Asia and Europe.

Mr. Aspin, 54, has served two decades in Congress, representing the Racine area of Wisconsin. He is widely acknowledged as an expert on the U.S. armed forces as chairman of the House Armed Services Committee and head of its subcommittee on Procurement and Military Nuclear Systems.

Mr. Aspin is viewed as a moderate on military affairs and, despite seeking cuts in the Strategic Defense Initiative and other weapons systems, he has won the respect of many Republicans, including Defense Secretary Dick Cheney. He is a cautious hawk on U.S. military intervention abroad. He strongly supported the Gulf War effort against Iraq, arguing that economic sanctions would not oust Saddam Hussein.

Speaking to the press after his nomination, Mr. Aspin said, "In this new world, the definition of national security has been changed and has been broadened. It now includes not only the threat from regional powers but it also includes the new nuclear danger of proliferation and the possibility of the reversal of reforms in the former Soviet Union with untold consequences."

Mr. Clinton said he was counting on Mr. Aspin to help him keep the U.S. armed forces "the best in the world."

He also supported deployment of the MX missile that was opposed by many Democrats, and he backed building the B-2 Stealth bomber, then urged a halt in production at 15. According to the Almanac of American Politics, Mr. Aspin has had to balance the House debate

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John Major of Britain and Foreign Office Minister Douglas Hogg, right, during a Christmas visit Tuesday to British troops in Bosnia.

Panic Opposes Intervention in Bosnia

By Lawrence Malkin
International Herald Tribune

BELGRADE — Prime Minister Milan Pucelj reportedly asked the world on Tuesday to abandon the idea of further military intervention to stop the fighting in Bosnia and said such action would only spread the war to other parts of Europe.

"As prime minister of Yugoslavia, I resolutely oppose all pressures on my country, especially threats that force will be used," Mr. Pucelj said, according to the Tanjug news agency. "It

must have been clear to the world that it has made many mistakes in relation to Serbia and Yugoslavia, that the sanctions which were introduced have hit and are hitting only the people, above all the poorest layers."

Prime Minister John Major of Britain, who paid a Christmas visit to British troops in Bosnia on Tuesday, predicted that a draft resolution to enforce an air exclusion zone would be put before the United Nations within days.

But Germany, which is worried by a national

debate about military involvement abroad, asked the North Atlantic Treaty Organization on Tuesday to delay sending to the United Nations the alliance's military plans for enforcing the exclusion zone over Bosnia.

Diplomats said Bonn had requested a delay until 0900 on Wednesday to decide how the plans might affect the debate in Germany. Germans are at odds over whether the constitu-

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U.S. Widens Seizure of Somali Weapons

By Eric Schmitt
New York Times Service

MOGADISHU, Somalia — Expanding a campaign to rid Somalia of its deadliest weapons, U.S. forces will soon begin seizing armed vehicles driven by marauding gangs, an American commander said Tuesday.

The comments by Brigadier General Tony Zinni of the Marine Corps, the operations director for the American military command here, signal a more aggressive disarmament policy that approaches the vigorous strategy advocated by the United Nations secretary-general, Boutros Boutros Ghali.

Until now, U.S. forces had seized only weapons that were directed against them or menaced areas they controlled, like the port and airfield here. Under U.S. pressure, the capital's two major militias began removing their armed vehicles to outside the city limits on Monday, ostensibly leaving only the armed vehicles that belong to gangs or smaller factions.

In a report to the Security Council on Monday, Mr. Boutros Ghali criticized the Bush administration for being reluctant to disarm fully all the warring factions in Somalia. He also turned down a U.S. request to start planning a new UN peacekeeping force to take over the safeguarding of relief convoys as the U.S. troops withdraw.

A U.S. military spokesman said Tuesday

Bush New Year Visit

WASHINGTON — President George Bush will spend the New Year's holiday visiting U.S. troops conducting humanitarian relief operations in Somalia, the White House said Tuesday.

It was not immediately clear whether Mr. Bush's visit would coincide with that of the UN secretary-general, Boutros Boutros Ghali, who plans to visit Somalia in January.

The White House said Mr. Bush would arrive Dec. 31 for an overnight visit with U.S. servicemen and women who were ordered into Somalia earlier this month to stop the factional fighting disrupting the feeding of starving civilians. He is to leave Somalia on Jan. 1.

that the military had decided to reduce the number of troops it is sending to Somalia, Reuters reported from Mogadishu.

[Colonel Fred Peck of the Marines said that the U.S. commander, General Robert Johnston, had "turned the tap and closed off the flow of forces from the United States." He

could not say how many of the 28,000 U.S. troops originally expected would not be needed.]

With the U.S.-led relief operation nearing control over major distribution sites in eight humanitarian sectors in the Somali famine belt, General Zinni said troops will push out from those cities into the countryside to create security zones for food deliveries.

[About 500 French and U.S. troops arrived in Baidoa, in the famine belt, in a push to deliver food to two important towns in the Somali interior, Agence France-Press reported from Baidoa.]

They are to head to Bardera, 200 kilometers to the south over a rutted, heavily mined road, and to Hodder, 250 kilometers north of Mogadishu, by another mined road, which is located on the main route to the Ethiopian border. They are to arrive by Friday.]

"As we expand the humanitarian relief sectors, the tolerance level for those weapons that haven't been removed will be very low," General Zinni said in an interview with four reporters at his headquarters at the U.S. Embassy here.

The more vigorous disarmament policy will take effect in the next few days, senior military officials said. The main target will be "technical" souped-up jeeps bearing mounted ma-

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A Career Ends for a Taiwan Dissident

By Nicholas D. Kristof
New York Times Service

TAIPEI — Sipping coffee in a dark corner of a small café, a bit furiously, as if the police might still be interested in him, Huang Hua spoke softly of a long and distinguished career in which he had lately worked himself out of a job.

Lean and rumped, Mr. Huang is a professional political prisoner, a 53-year-old who has spent most of his adult life behind bars for speaking his mind. These days, in an increasingly democratic Taiwan, the prisons have fewer openings for dissidents, and he has little experience in doing much else but protesting.

After sacrificing his freedom in the fight for democracy, Mr. Huang has won the struggle but is finding victory bitter-sweet. In part because of his efforts and those of other long-suffering dissidents, people on Taiwan now have meaningful votes. But they are casting them to keep people like Mr. Huang out of office.

This is a peril of democracy campaigners everywhere, and Mr. Huang accepts it. Asked if he is angry at the public, he shakes his head vigorously.

"It's a problem of education, of the way we're portrayed in the news media here," he said. "Before, the people were taught to be afraid of us. They thought we were terribly fierce. Now they're gradually getting to

know us better, to understand what we're after. I can't complain."

In South Korea, Kim Young Sam, once a dissident who spent years under house arrest, was elected president on Friday. But in Taiwan, the Kuomintang — the long-governing Chinese Nationalist Party — won 53 percent of the vote in legislative elections on Saturday, and few expect it to be ousted anytime in the 1990s.

Mr. Huang's history is the story of Taiwan's evolution, of its peculiar democratic revolution that in some ways has changed everything, in others nothing. The Kuomintang, organized early this century on authoritarian lines, has survived that revolution, emerging with more legitimacy.

The reason is straightforward and one of economics. The 20 million people of Taiwan were at roughly the same income level as those in India in the early 1950s; now they have per-capita incomes pushing toward \$10,000 a year. Prosperity has helped assuage memories of repression.

Mr. Huang — bespectacled, soft-spoken and oozing sincerity — has spent a total of 23 years in prison in four stints. He was released most recently in May, and because Taiwan this year changed its laws so that seditious speech is no longer an offense, his career as a political

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Kiosk

Rebels Leaving Angola Towns

LUANDA, Angola (AP) — UNITA rebel forces have begun withdrawing from two strategic towns, oews reports said Tuesday. Diplomats consider the move to be a critical step in breaking the impasse between the rebels and the government of President José Eduardo dos Santos.

The Portuguese news agency LUSA said rebel forces of Jonas Savimbi were leaving the towns of Uige and Negage, a pledge Mr. Savimbi made recently in a meeting with a high-ranking U.S. diplomat.

'Tentative' Accord By NFL and Players

NEW YORK (AP) — The National Football League and its players reached a "tentative settlement agreement" on Tuesday that could end a five-year-old labor dispute and bring a form of unrestricted free agency to the league.

After 12 hours of meetings on Monday and Tuesday, the two sides announced that they had reached agreement in principle on a new contract, the first since a 24-day strike in 1987.

The Dollar

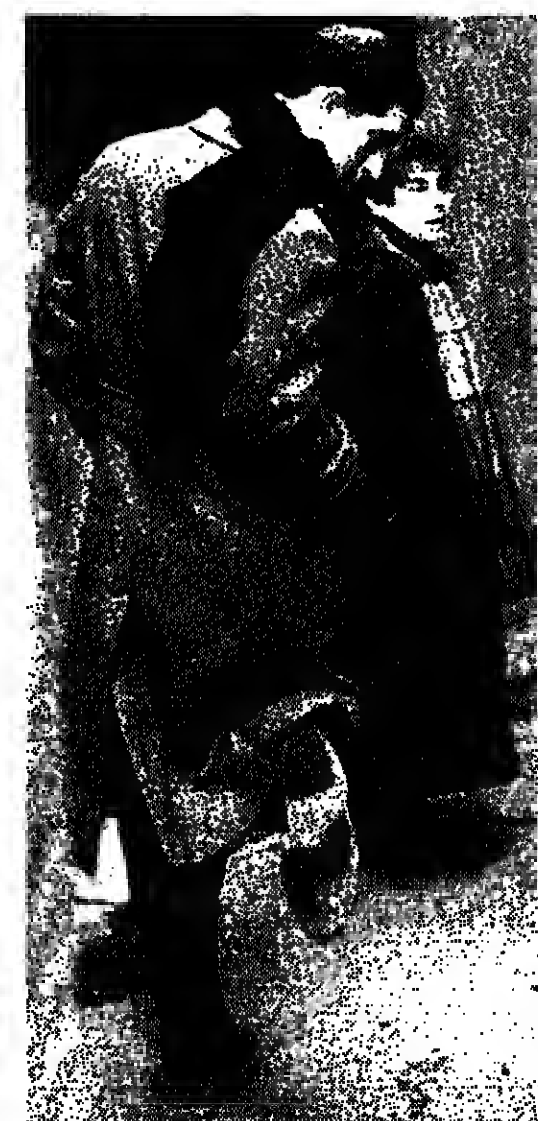
New York	Time close	Previous close
DM	1.5885	1.5885
Pound	1.5366	1.5366
Yen	123.70	123.00
FF	5.422	5.361

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FALSE STEP — Britain's Prince Charles checking his shoe after stepping into dog droppings during a walk in Prague's Old Town on Tuesday. He is in the city to promote his Prague Heritage Fund project.

Libyan Boeing Crashes, Killing All 158 Aboard

TUNIS — A Libyan Boeing 727 crashed about 60 kilometers from the Libyan capital on Tuesday, killing all 158 people aboard. A Libyan Arab Airlines official said the authorities were investigating reports that the crash was the result of a midair collision.

The plane, on an internal flight to Tripoli from the eastern city of Benghazi, crashed near the town of Souk al Sabt, southeast of the capital, the official said.

Tripoli residents said the passenger plane apparently collided with a Libyan military plane. The crew of the warplane survived by parachuting to the ground, they said.

"This is still under investigation," the airline official said.

The official Libyan oews agency JANA said there were foreigners aboard the airliner but gave no details.

The airline is preparing a list of the passengers and will release it later, the official said. There were no people living in the area where the plane crashed, he added.

Libyan Arab Airlines has flown only domestic flights since April, when the United Nations imposed an air blockade as part of a package to punish Libya for refusing to hand over two men accused of blowing up a Pan Am plane.

The Pan Am plane, on Flight 103 from London to New York, blew up four years ago over the Scottish town of Lockerbie on Dec. 21, 1988, killing 270 people.

The sanctions include a ban of sales of aviation spare parts to Libya. Major Abdel Salam Jalloud, second in command to the Libyan leader, Moammar Gadhafi, said in November that this was putting the lives of passengers at risk.

"Flights of Libyan Airlines are about to stop," Major Jalloud said last month. "Every day there are dozens of flights on which passengers are in danger because of the lack of spare parts and maintenance. This is mass murder."

'Slobo' — The Symbol of Serbian Nationalism

By John F. Burns
New York Times Service

BELGRADE—On the ruined walls of towns and villages across Bosnia-Herzegovina that have been devastated by "ethnic cleansing," one word, "Slobo," appears again and again, scrawled in spray paint by the Serbian fighters who have swept through, terrorizing inhabitants and razing homes.

For those who have made his name a totem of their cause, it seems no matter that "Slobo"—Slobodan Milosevic, the president of Serbia—has never visited the battle zone, nor even their wounded fighters.

As the political patron of Serbian nationalism, and as the head of the Serbian government that has given the arms and money Bosnia's Serbs have needed to carry out their killings, Mr. Milosevic is a hero above all others among the forces who have seized two-thirds of Bosnia as a Serbian domain.

During the recent election campaign, Mr. Milosevic vowed never to turn away from a policy of "great solidarity with the Serbian people outside Serbia."

This is a term he has used in the past to describe the use of military force in support of "ethnic cleansing" and other practices that have been condemned by the Western powers as atrocities.

Already, these policies have caused the deaths of at least 150,000 people in Bosnia and Croatia, and have driven at least 1.6 million people from their communities as refugees. But while Milan Panic, the Serbian-American millionaire who was his rival Sunday's election, described the conflict as "an intolerable tragedy" and vowed to end it, Mr. Milosevic, 51, appears to have been unmoved by the consequences of his actions.

In part, this has been a matter of personality, since even his close associates describe the former Serbian Communist

leader as dispassionate, cool and untrifled even amid the growing international condemnation of Serbia and its leaders.

On Wednesday, Secretary of State Lawrence S. Eagleburger named Mr. Milosevic among possible war criminals whom he said should face trial on charges relating to atrocities committed in the Balkan fighting.

Mr. Milosevic answered in less than a day. Traveling first to Kosovo, the region of southern Serbia where a million ethnic Albanians are agitating for independence, then to Nis, a Serbian industrial city near by, Mr. Milosevic offered what appeared to be an oblique justification for "ethnic cleansing" when he said that the Albanian majority in Kosovo had been its first practitioners, by encouraging an exodus of Serbs over the past decade.

He went on to declare that, despite all threats, Serbia would not abandon what he called "our great solidarity with Serbian people outside Serbia."

"This country has many times in its history endured the challenge of foreign threats," he said. "Now, we are called upon once again to decide whether we will stand up, or go down on our knees and become a new Balkan colony. So I tell you, we will never surrender Serbia."

He attended his closing election meetings to the accompaniment of rhythmic chants of "Slobo! Serbia!" and sat through lengthy speeches that ascribed to him almost mythical qualities. For Mr. Milosevic, this was not new. In Belgrade, portraits have appeared depicting the stocky, almost cherubic-looking Serbian leader as a medieval knight like those who fought, and lost, Serbia's historic battle against the invading Turks in Kosovo in 1389.

The invaders went on to make Serbia and Bosnia an outpost of the Ottoman Empire for nearly 500 years, fostering the embattled political psychology among Serbs, and in particular the fear of Mus-

lims that Mr. Milosevic has exploited in building his political career.

According to former associates, this represents a sharp break with his attitude during the years when he was working his way up through the Communist Party apparatus. Then he aligned himself with Titoist orthodoxy, which outlawed nationalism.

Until three years ago, Mr. Milosevic, as Serbia's Communist Party chief, had little popular following. But after he traveled to Kosovo in 1989 and made a fiery speech about the rights of Serbs, he unleashed a wave of nationalist feeling.

Fear of this resurgent nationalism fueled independence movements in four of the other five Yugoslav republics, which had no desire to trade a Communist yoke for a Serbian one.

In 1990, with Yugoslavia beginning to break up, Mr. Milosevic rode the nationalist wave to victory in Serbia's first post-Communist election. From there, it was a short step to the policies that led to war in Croatia and Bosnia.

Perhaps the strongest signal to his character has been his attitude toward the war in Bosnia.

Contemptuously rejecting the U.S. war-crimes charges, Mr. Milosevic held to a posture he has adopted from the start of the Bosnian conflict, denying any responsibility for the Bosnian war despite the release of transcripts of telephone conversations between Mr. Milosevic and Radovan Karadzic, the Bosnian Serbian leader, that implicate Mr. Milosevic. Western diplomats said their intelligence reports show similar involvement.

Mr. Milosevic's denials of what those around him know as fact is one facet of a complex personality.

Warren Zimmermann, the former U.S. ambassador to Yugoslavia, who was withdrawn in May as a gesture of protest against the Serbian offensives in Bosnia, told associates after a series of bitter en-

counters with the Serbian leader that his most prominent character trait was dishonesty.

"When used to say that he was astonished by the man's ability to lie with a look of total sincerity on his face," a West European diplomat said.

Others describe this differently. "Many people who have dealt with him recently speak of him as disconnected from reality," said Ivan Jankovic, a Belgrade patent lawyer who followed Mr. Milosevic through law school at the University of Belgrade in the 1960s.

Another man who worked with Mr. Milosevic for years said, "He decides first what is expedient for him to believe, then he believes it."

Those who look for explanations for Mr. Milosevic's behavior beyond the tangled world of Balkan politics often cite his childhood. He was the son of a Serbian Orthodox priest from Montenegro, a region known for engendering fierce nationalism among its Serbian inhabitants. Both his parents committed suicide while he was still in his teens, as did an uncle.

Growing up in Pozarevac, about 50 miles (80 kilometers) south of Belgrade, he was known as a disciplined, humorless loner. He married his childhood sweetheart, Mirjana Markovic, now a professor of Marxist-Leninist theory in Belgrade, who shared his Communist orthodoxy.

"He was incredibly disciplined, and took communism with deadly earnestness, even when everybody else thought it was a terrible bore," a former law classmate said.

Another man who helped Mr. Milosevic as he ascended the Communist hierarchy said that he had never met a man who was more assiduous in developing contacts to promote his own career, and less loyal to those who helped him.

"He's a man who makes no friends," this former associate said. "There is only one thing that matters to Sloba Milosevic, and that is Sloba Milosevic."

EC Names 17-Member Executive, 7 Are New

Compiled by Our Staff From Dispatches

BRUSSELS—The European Community named a new 17-member executive panel Tuesday that reflects a wish at the EC headquarters to get a firmer grip on a rapidly changing outside world.

The new EC Commission—16 men and one woman—takes office for two years Jan. 6. Seven members are new, including two former foreign ministers.

The job assignments show a desire by Jacques Delors, the panel's French president, who has come under strong criticism, for a steady helm in times marked by trade frictions with Washington and other capitals, and with a host of nations wanting to join the EC. Mr. Delors remains commission president, a job he has held since 1985.

Mr. Delors has split the commission's foreign relations job, now held by Frans Andriessen of the Netherlands.

Hans van den Broek, the outgoing Dutch foreign minister, will be EC commissioner for "external political relations," including EC membership talks, starting in 1993, with Austria, Finland, Sweden, Norway and, possibly, Switzerland.

He will share management of the EC's external relations with two commission veterans—Britain's Sir Leon Brittan for Europe, Japan and the United States and Spain's Manuel Marin for the developing world.

Mr. van den Broek will be responsible in principle for overseeing the creation of the common foreign policy snipped out in the Treaty on European Union. He will also be in charge of negotiations from February to admit Austria, Finland and Sweden into the EC, with Norway likely to join soon.

Mr. Andriessen leaves the EC, after 12 years, under something of a cloud, along with Ireland's Ray McSharry, the agriculture commissioner since 1988. The two negotiated a deal with the United States last month under which the EC will make deep cuts in farm subsidies. France rejects the accord, designed to unblock stalled talks among 108 nations for a broad world trade agreement through the General Agreement on Tariffs and Trade.

Sir Leon said he would give priority to concluding a GATT accord. "It will require urgency and effort, priority and determination—and it is going to get all of that," he said.

Among the newcomers is René Stichen as EC agriculture commissioner replacing Mr. MacSharry. Mr. Stichen is now Luxembourg's agriculture minister.

The EC head office also announced these appointments: João de Deus Pinheiro, former Portuguese foreign minister, cultural affairs, relations with the European Parliament, and a new program to inject greater openness in EC affairs.

Hemming Christoffersen, Denmark, economic and financial affairs commissioner.

Peter Schmidhuber, Germany, budget.

Christiane Scriver, France, tax policy.

Bruce Millan, Britain, regional affairs.

Marin Bangemann, Germany, industrial affairs.

Abel Matute, Spain, energy and transportation.

Mamad Marin, Spain, relations with Latin America and Mediterranean countries.

Luc Van Mier, Belgium, EC competition.

Faithful Flynn, Ireland, a newcomer, social affairs commissioner, also responsible for employment, immigration and justice matters.

Antonio Roberti, Italy, research.

Raniero Vanni d'Archiripi, Italy, internal market.

John D. Pappas, Greece, environment and fisheries. (AP, Reuters)

WORLD BRIEFS

Bomb Blast in London Underground

LONDON (AP)—A North London Underground station was safely evacuated before an explosion during the Tuesday evening rush hour, the police said. The explosion on the platform followed a telephone warning from the Irish Republican Army.

The police described the blast at Hampstead station on the Northern Line, as small. There were no casualties, a spokesman said.

This month, the IRA has set off explosions in a London department store and outside another Underground station, as well as two bombs in Manchester that injured 64 people. The Underground said service to nine stations on the Northern Line had been suspended.

U.S. Steps Up START-2 Negotiations

WASHINGTON (AP)—The Bush administration, hoping to seal a missile-reduction deal with Russia, has sent nuclear weapons experts to Geneva to discuss a handful of stubborn issues with Russian specialists. The idea is to conclude the START-2 treaty before President George Bush leaves office on Jan. 21. But officials said that at least three tough problems remain despite negotiations and two telephone sessions between Mr. Bush and President Boris N. Yeltsin of Russia, on Sunday and Monday.

"We're working on it," was all that one official would say. The officials, who asked not to be identified, said the U.S. delegation left for Geneva on Monday. Mr. Bush would like to leave a second treaty resulting from the Strategic Arms Reduction Talks as a major accomplishment of his presidency.

Chinese Deny Mao's Body Is Rotting

BEIJING (Reuters)—Chinese officials are denying rumors that the embalmed body of Mao Zedong, the founder of the Communist state, is rotting or shrinking in its glass casket, an official newspaper said. Xu Jing, director of the Mao mausoleum in Beijing, said newspaper reports on the declining state of Mao's corpse were "sheer rumor." The body of Mao, who died in 1976 at the age of 82, was put on display in a glass coffin in 1977.

"With current scientific methods, preserving the body for another 200 years would be no problem," Miss Xu was quoted as saying by the newspaper China Youth News on Tuesday. She also said rumors that Mao's body had shrunk since 1984 were untrue, adding that "regular, precise checks of the length and weight" of the corpse were made.

NATO Approves Paris-Bonn Forces

BRUSSELS (AP)—The NATO allies approved guidelines on Tuesday for use of the new French-German corps in a crisis. The decision by the ambassadors of the 16-nation North Atlantic Treaty Organization put to an end fears that the proposed European army would harm the military alliance.

Under the agreement, the French-German corps would come under NATO command in an emergency. In a statement, NATO said the allies endorsed an accord drawn up by General John M. Shalikshvili Jr., the American commander of the alliance's European forces, and France and Germany.

France and Germany last year called for a 35,000-strong corps as a way of building up Western Europe's own defense role and reducing the part played by the United States. France is a member of NATO, but does not belong to its joint military command.

Judge Sets New Date for Collor Trial

BRASILIA (AFP)—Chief Justice Sydney Sánchez appointed a lawyer on Tuesday to defend Fernando Collor de Mello and set Dec. 29 for the start of the suspended president's impeachment trial.

Justice Sánchez acted following Mr. Collor's surprise dismissal of his defense team on Monday night, just as the Senate was getting ready to try him on corruption charges. The trial was originally set for Tuesday. It was thought that Mr. Collor's move was intended to gain him more time by pushing the trial back to next month, at the earliest.

Mr. Collor, 43, was suspended from power for 180 days on Oct. 2 following his impeachment by the Chamber of Deputies. Congressional investigators concluded that he took \$6.5 million from a slush fund set up by his former campaign treasurer. Mr. Collor, elected in 1989 on a pledge to stamp out corruption, insists on his innocence.

For the Record

Vietnam and South Korea re-established diplomatic ties on Tuesday after a 17-year break. (Reuters)
A law that would let Russian citizens go abroad without special permission starting Jan. 1 was upheld Tuesday by the Russian legislature. (AP)

TRAVEL UPDATE

Air France said Tuesday that all its flights were expected to run on schedule on Wednesday despite a call by ground crews for a three-hour, 40-minute strike. The strike is the latest in a series of work stoppages at Air France this month, stopped to protest a restructuring plan that would eliminate 5,000 jobs by 1993. (AFP)

Foreigners in Uzbekistan who break laws on registration, movement and residency could face a sentence of three years in prison under the country's new penal code, the Interfax news agency reported. (AFP)

The British tour operator Novotour Ltd., which specializes in package vacations and international flights, ceased operations late Monday, the British Civil Aviation Authority said. The aviation agency said that travelers currently abroad on Novotour trips would be able to fly home as planned and that the agency would fully refund about 9,500 customers who had advance bookings. (AFP)

Aeroflot, Russia's state-owned airline, has begun a campaign to improve its image, stepping up the quality of its food and improving service in the air and on the ground. Officials said Tuesday that Aeroflot also planned new staff training programs and improvements at its airport facilities throughout the country. (Reuters)

Clinton Banks on Old Friends for Foreign Policy

By Thomas L. Friedman
New York Times Service

WASHINGTON—Bill Clinton said Tuesday that the times demanded "bold new thinking" in foreign policy. But in choosing his national security team, he took the most conventional of approaches—picking experienced, loyal and generally like-minded friends and advisers whom he can count on not to get him in trouble abroad while he focuses on problems at home.

"The world is no longer a simple place with clear choices," Mr. Clinton said in introducing his team. "As we enter the 21st century, American foreign policy will require steady hands, bold new thinking and the strength and courage to advance our American values."

But what is unusual about this experienced team of advisers is that

the last time most of them had their hands on foreign policy was 12 years ago, when most of them served together in the Carter administration. As a result, many of them have not written or spoken out publicly on the major new foreign policy issues confronting the United States since the end of the Cold War—from the crisis in Bosnia to the future of Russia.

Therefore, it is difficult to predict what sort of foreign policy they might produce with Mr. Clinton, who himself is also an unknown quantity in the field of foreign affairs.

This foreign policy team is in striking contrast with Mr. Clinton's economic team of advisers. In economics, Mr. Clinton has a fairly clear idea of where he wants to go and chose a team of advisers, led by Treasury Secretary-designate

Lloyd Bentsen, who could most effectively implement his programs. He also chose people from both the liberal and conservative wings of the Democratic economic establishment.

In foreign policy, Mr. Clinton seems to have had a very different set of priorities. First and foremost, as he himself said, he wanted a team that could work together and be as collegial as the Bush administration's national security team, even if that meant taking a lot of people who had worked together in the Carter administration.

The Carter administration "was the only Democratic administration we had in 25 years" and the only place a Democrat could get hands-on experience, said Mr. Clinton. But he added that it was unfair to suggest he had picked "a team of retirees."

But while no one wanted to be quoted by name, there was much private grumbling within Democratic foreign policy circles over the fact that Mr. Clinton seems to have turned to the liberal wing of the Carter administration foreign policy team for his own administration.

He included only one of the new generation of neo-conservative advisers who also helped in his campaign—R. James Woolsey Jr., the arms-control specialist he named as director of central intelligence.

This contrasted with Mr. Clinton's economic team, which was clearly designed to strike a balance between new generation thinkers and veteran legislators, drawing from both the liberal and conservative wings of the party.

In foreign policy, he often seems less sure of his plans, and his aides said that Mr. Clinton first and fore-

most wanted advisers who had proven during the campaign that they worked well together and would avoid the infighting that has often plagued foreign affairs.

Mr. Clinton had said explicitly that he wanted a team that was as collegial as the Bush administration's national security team. The personal relationships between some of his new advisers date back decades. For example, Les Aspin, the Defense Secretary-designate, and W. Anthony Lake, the newly chosen national security adviser, have known each other for a long time.

Mr. Clinton also felt that his advisers had designed for him during the campaign a series of foreign policy speeches and position papers that enabled him to neutralize George Bush's obvious advantage in that area and put the president on the defensive.

He concluded that this group proved its judgment and professionalism during the campaign and therefore he had little incentive to go elsewhere, aides said.

Mr. Clinton, they add, knows that the low-key, pragmatic Warren M. Christopher, his choice as secretary of state, is probably not the sort of person likely to articulate a whole new vision for American foreign policy.

But Clinton aides say that the president-elect believes he knows a lot more about foreign policy than he revealed during the campaign and that he intends to be as much of an intellectual trend-setter, and public voice, in that area as he will be in domestic policy. He will draw on his national security team to help him conceptualize his views at the White House, and will lean on Mr. Christopher for his strengths as an implementer, consensus builder, and seasoned negotiator.

The foreign policy papers that Mr. Lake, his choice as national security adviser, and Madeleine K. Albright, whom he named as UN ambassador, developed for Mr. Clinton during the campaign called for a much more aggressive stand in support of Bosnia against Serbia, more aid for President Boris N. Yeltsin of Russia than the Bush administration was willing to give, the use of trade sanctions to force China to moderate its human rights abuses, a United Nations rescue mission for Somalia, a tougher bargaining position in trade negotiations with Japan, and a more sympathetic posture toward Israel than was being shown by the Bush administration.

But Clinton aides freely acknowledge that these policy positions were designed in large part in an effort to distinguish Mr. Clinton from Mr. Bush during the campaign, and no one really knows to what extent they will actually shape the Clinton foreign policy when he takes office.

For instance, since the election Mr. Clinton has noticeably softened his rhetoric about using trade sanctions against China, and his first statement about the Arab-Israeli conflict—in response to the Israeli expulsion of some 415 Palestinians—was as even-handed as anything ever uttered by the Bush administration. While Mr. Clinton said during the campaign that he supported the use of force against Iraq in the Gulf War, both Mr. Lake and Mrs. Albright favored using sanctions before they joined the campaign.

Greek Deputies Protected

ATHENS—All 300 members of the Greek Parliament will be protected by police escorts following an attack on a conservative deputy who was shot in the legs by gunmen of the extreme leftist November 17 group, the government announced Tuesday.

Wind Shear Suspected In Jet Crash

Reuters

AMSTERDAM—A downward blast of wind known as a microburst may have caused the Dutch plane crash in Portugal that killed 54 Christmas vacationers, aviation experts said Tuesday.

Such a blast would have been powerful enough to rob the pilot, H.W. van Staveren, of control over his chartered Martinair DC-10 as he tried to land at Faro, in southern Portugal, on Monday, they said.

"If I had to choose between several possible causes I would certainly look at that one first," said Benno Baksteen, chairman of the Dutch pilots association.

"It was certainly bad weather that brought this airplane down," said David Learmont, safety expert at the London-based magazine Flight International.

The jet, carrying 327 passengers, mainly Dutch nationals, and 13 crew members, crashed in flames as it landed during heavy showers. Survivors—79—are hospitalized, some with severe burns—reported turbulence during the final descent.

Portuguese officials, who have set up a commission of inquiry, and Martinair have declined to comment on the cause. Mr. Learmont said the commission would know about the variations of wind speed and where the wind was blowing and the kind of turbulence on the flight recorder. "Then I don't think there are going to be many doubts about what happened," he added. Mr. Baksteen said the Faro disaster was similar to accidents in



A survivor and her child, waiting return to the Netherlands.

the United States in which jets had crashed during landing for no apparent reason and which were later blamed on microbursts.

Tijmen de Boer, a meteorologist at Amsterdam's Schiphol airport, said microbursts were a severe form of wind shear—a term that denotes a sudden change in wind speed or direction. A microburst seemed to be the most likely cause of the Faro crash, he said. The phenomenon is often associated with storms or showers, such as those in Faro at the time of the crash, he added. A microburst occurs when a down draft suddenly bursts out of a tall cumulonimbus storm cloud, moving out in all directions when it hits the ground.

You might survive Christmas without the Bosnians. But will they be able to survive without you?

Join the French navigator Gérard d'Aboville and Solidarités in offering the equivalent of a food parcel for a family in the region of Sarajevo.

Gérard d'Aboville and Solidarités are spending Christmas in Bosnia distributing food parcels. Additional trucks will leave for Bosnia in January. The number of food parcels depends on your generosity.

A package containing 10 kilos of provisions costs 100 French francs. The contents will provide a family with food throughout the holiday period. If you like, enclose a card or photograph of your family, which we'll include in the package.

Your donation will enable us to personally distribute the packages to families suffering from cold, hunger and war. 100 francs is vital for these families—do not abandon them.

I would like to offer a "Solidarités parcel" to a Bosnian family.
Enclosed please find my check, money order or CCP (23.117.71 A Paris) made out to "Solidarités - Cois de Noël Bosnie".

100 F 200 F 300 F Other...

I will receive a "certificat de déductibilité fiscale" and a letter of information concerning the package.

Name _____ First name _____
Address _____

Return to: Solidarités - Cois Noël Bosnie, 19, rue Daviel - 75013 Paris, France.
Tel. 33 1 45 88 33 22. Documentation on request.

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TRANSITION / SAXOPHONE PINS AND COOKBOOKS

★ POLITICAL NOTES ★

Clinton Checks Who's Been Naughty or Nice

WASHINGTON — Clinton transition aides are putting out the word that they want a list of which Immigration and Naturalization Service officials have been particularly naughty or nice in the last 12 years.

A memo prepared by Robert E. Rubin, a Clinton adviser who as an immigration lawyer has litigated frequently against the immigration service, minces no words, lest anyone be confused.

"We are interested in hearing about local INS officials whose decision-making has been consistently beyond the bounds of the exercise of reasonable discretion," Mr. Rubin said in the memo, written Dec. 8 on transition team letterhead.

It was addressed to "All Interested Parties" in the voluntary agency and legal communities, but copies soon circulated within the immigration service, where one official called it "an invitation to rat on your colleagues."

Mr. Rubin is helping another transition official, Linda Yanez, who heads Harvard Law School's immigration clinic. He said he was "compiling information and conducting research for her transition report."

"I would appreciate if you would provide me with any information regarding particular INS personnel, including district directors and district counsel, whose conduct should be brought to the attention of a new INS commissioner," he wrote, adding that "the source of any information would be kept confidential."

Transition officials said this was not the first time that a new president's team had wanted to know who the rotten apples were in the outgoing administration, although they conceded that past teams were not known to advertise so boldly. One source said about 60 names had been received, including both those who were praised and those criticized. (WP)

Yale Grads Make the Most of Old School Ties

WASHINGTON — Add Yale Law School to the list of special-interest groups vying for special treatment when its alumnus, Bill Clinton, is sworn in as president next month.

"This is a unique opportunity to reaffirm your friendship with two special Yalies," said a letter to law school graduates, referring to Mr. Clinton and his wife, Hillary. The letter invited them to the inaugural festivities, including a private reception and the presidential dinner.

Not to mention a chance to get a résumé in the right hands. The letter said that a system had been set up under which job inquiries from Yale graduates would be "distributed for appropriate follow-up."

No favoritism here, insisted Boh Raymar, a Clinton classmate and supporter who has forwarded about 75 résumés to the transition office.

"I sent them down in a group rather than have them go in pieces," he said. "I'm sure they don't get special treatment." (WP)

Inquiry of Rostenkowski Funds Is Sought

WASHINGTON — The public interest group Common Cause has asked the House ethics committee to investigate whether Representative Dan Rostenkowski, an Illinois Democrat who is chairman of the Ways and Means Committee, had improperly converted campaign funds to his personal use.

The group also urged the committee to retain an outside counsel to conduct the review.

"The use of an outside counsel in matters such as this is well recognized as a critical factor in obtaining a publicly credible result," the president of Common Cause, Fred Wertheimer, said in a letter sent Monday to Representative Louis Stokes, the Ohio Democrat who is chairman of the ethics panel.

Mr. Wertheimer recently asked the Senate ethics committee to appoint an independent counsel to investigate allegations that Senator Bob Packwood, Republican of Oregon, made unwanted sexual advances toward former aides and a lobbyist.

The Chicago Sun-Times reported Dec. 13 that Mr. Rostenkowski's campaign committee had paid the congressman and his sisters more than \$73,000 in rent for a campaign office since 1986. According to the report, Mr. Rostenkowski's campaign pays \$1,250 a month for office space in a building he partly owns adjacent to his Chicago home. (WP)

Quote-Unquote:

Bill Clinton, naming Richard W. Riley, secretary of education: "I want to remind all of you again that presidents don't educate children, principals and teachers do." (AP)



Mr. Clinton chatting with Mrs. O'Leary, his choice for the energy post, and Richard W. Riley, the education nominee.

A Challenge for Energy Choice: Weapons

By Thomas W. Lippman

Washington Post Service

WASHINGTON — In selecting Hazel Rollins O'Leary to be the first woman to run the Energy Department, Bill Clinton chose a widely admired lawyer who is familiar with the department, the issues and almost every aspect of the business.

But there is one yawning gap in her résumé: She has no experience with the politically volatile and extremely expensive nuclear weapons factories, which consume most of the Energy Department's budget and have consistently enmeshed it in criticism from environmental groups and members of Congress.

Mrs. O'Leary was a senior Energy Department regulator in the Democratic administration of President Jimmy Carter and an official in the Republican administration of President Gerald R. Ford. With her late husband, John F. O'Leary — who was undersecretary in the Carter administration and later ran the Pennsylvania utility that owns the Three Mile Island plant — she was an independent energy consultant, based in Washington.

Most recently, she has been executive vice president for corporate affairs, or chief lobbyist, for Northern States Power Co., a huge Minneapolis-based utility that operates three nuclear plants and has had highly publicized disputes with state regulators over disposition of its nuclear waste.

Earlier this month, she was named president of NSP Gas Co., a new unit of Northern States that serves about 350,000 natural gas customers.

"This is an outstanding appointment," said Tom Dennis, Washington representative of Southern California Edison Co. "Clinton is going to be proud of her."

"She'll be great for the country," said Jim Meza, who was her press officer when she was head of the Energy Regulatory Administration. "This is the best appointment Clinton could have made. She's dynamic."

Mr. Clinton has said he wants his

administration's economic team, but Mrs. O'Leary will inherit an unhappy situation whose economic impact is likely to be strongly negative: the need to spend tens of billions of dollars to clean up radioactive and toxic wastes and restore the environment around the bomb factories.

Of the department's \$19 billion budget for fiscal 1992, nearly \$12 billion was earmarked for operating, renovating and cleaning up after the troubled 12-state weapons complex, which has been paralyzed by safety and environmental problems throughout the Bush administration. The Energy Department

has about 20,000 employees, but the private contractors who operate the weapons plants have 141,000, according to a recent report by the department's inspector general.

Because she has no track record on the weapons factories, bomb-plant watchdogs and environmental groups reacted more cautiously to her appointment than business executives and politicians. Arms control activists said she may find it difficult to resist the weapons plant contractors and the bomb designers in Energy Department laboratories who still want to run the operation as they did during the Cold War.

Souvenirs Galore Of Clinton-Gore, And Nothing More

By Michele L. Norris

Washington Post Service

WASHINGTON — The selling of the president-elect has entered a new era with the opening of a Washington boutique that carries nothing but Clinton-Gore memorabilia.

Named simply Inaugural Commemoratives, the shop, at 1744 L St. N.W. near Connecticut Avenue — one of the city's toniest shopping districts — stocks everything from \$2 temporary Clinton tattoos to a cherrywood box of inaugural medallions that sells for \$925. All of the items are U.S. made, and most are union-made.

Mr. Clinton's transition chairman, Vernon E. Jordan Jr., was the first customer Monday after a noon ribbon-cutting ceremony.

He left the store after about 20 minutes with a stack of sweat shirts for his children, a pair of inaugural cuff links, and an apron for his housekeeper that was emblazoned with an official inaugural seal.

The opening is the first time an inaugural committee has established its own store to sell commemorative items.

In past years they were sold by sidewalk vendors during inaugural week or through mail-order catalogues.

Mr. Clinton's inaugural planners also are using a catalogue and a toll-free number to market 1993 inaugural items.

More than 17,000 calls have been logged at the inaugural telemarketing center in New York, according to the inaugural marketing director, Ernest Johnston. But Mr. Johnston said planners decided to increase sales by taking the merchandise directly to the public.

A line 20 persons deep had formed at the cash register less than two hours after the store opened.

Bernice Howard was one of the shoppers trying to elbow her way through the T-shirts and sunglasses to snare one of the most sought-after items: red, white and blue 1993 Presidential Inaugural license plates.

Mrs. Howard planned to have her \$50 personalized license plate printed with the message "RENEWAL" in accordance with the official theme of Mr. Clinton's inaugural, "An American Reunion — New Beginnings, Renewed Hope."

Customers also queued to pay \$7.95 to have their pictures taken and superimposed onto a snapshot of Mr. Clinton, Al Gore and/or their wives.

Other brisk sellers were gold saxophone pins and the "Delicious Heritage" cookbook by Nippy Carville, a collection of Cajun recipes compiled by the mother of Mr. Clinton's political strategist, James Carville.

Revenue from the store and other commemorative sales will help cover the cost of inaugural activities from Jan. 17 to 21 — more than \$20 million.

If this store is an early success, organizers said, they plan to open inaugural boutiques in as many as five other locations in the next three weeks.

Uninsured: Even Middle Class Growing Number of Americans Lack Health Coverage

By Dana Priest and Amy Goldstein

Washington Post Service

WASHINGTON — The number of solidly middle-class Americans without health insurance grew by 1 million last year, while in the District of Columbia one in four residents was without public or private coverage, according to newly analyzed Census Bureau data.

The same study found that spending for Medicaid — the state-federal program for low-income

persons — doubled nationally over the past five years.

Although state and federal governments are spending increasing sums, the number of uninsured Americans continues to grow. People with the lowest paying and least secure jobs are most likely to be without coverage. But the new study findings suggest that lack of health insurance afflicted the middle class at a record pace last year.

"Things are getting worse, and if you are one of the people who is now uninsured, it is a disaster for

you and your family," said Sidney Wolfe of Public Citizen's Health Research Group.

The data were taken from the Census Bureau's Current Population Survey and were collected and analyzed by Public Citizen and Physicians for a National Health Program. Both are advocacy groups that support a Canadian-style, government-financed health care system.

The findings indicate that 35.4 million people, or about 14 percent of the U.S. population, were without health insurance at some time during 1991.

In 1991, the number of Americans with family incomes of \$25,000 to \$50,000 who lost their insurance rose by 1.07 million — compared to about 500,000 in that income bracket who lost their coverage during 1990.

In all, about 8.3 million people in that income group were without health insurance at some time in 1991.

The study also found that a disproportionate percentage of black and Hispanic citizens continue to be uninsured. Whereas roughly 11 percent of whites were uninsured in 1991, 32 percent of Hispanics and 21 percent of blacks were without coverage, research shows.

The study found that 2.6 million people who gained insurance last year were those whose incomes dropped so sharply they qualified for Medicaid; in addition, 261,000 upper-middle income Americans were able to obtain private insurance.

Nearly 90 percent of the newly uninsured live in five states: Texas, Indiana, Florida, North Carolina and Massachusetts.

Away From Politics

• A Mexican businessman was found guilty of conspiring to kidnap and murder a U.S. drug agent in 1985. Ruben Zuno Arce, the brother-in-law of a former Mexican president, Luis Echeverria, closed his eyes and shook his head slowly as the jury's verdicts were read. "Big injustice," he said in Spanish as he was led from the courtroom by U.S. marshals.

• President George Bush declared New York a major disaster zone as a result of a coastal storm and flooding two weeks ago, making it eligible for U.S. assistance. The president's action made federal funding available to individuals and local governments in New York City, Nassau and Suffolk counties.

• In an attempt to stem the slaughter of sharks, which scientists fear will seriously disrupt marine ecosystems, the U.S. government is moving to impose controls on shark fishing within 200 miles (320 kilometers) of the Atlantic and Gulf coasts.

• An Oregon tribe's application to build a casino was rejected by the Interior Department. It said it was powerless to approve such projects over the objections of Governor Barbara Roberts. She has fought the plans by Siletz American Indians to operate a casino in Selem, Oregon, for fear it would harm the surrounding community.

• An accused rapist is entitled to the victim's DNA test results to try to prove his innocence, an appeals court ruled. The Pennsylvania Superior Court overturned Dale Brison's 1990 conviction in the kidnapping, rape and stabbing of a 37-year-old woman because he was denied her DNA test results. Mr. Brison had been sentenced to 18 to 42 years.

• The acting boss of the Colombo organized-crime family, Victor (Little Vic) Orena, was found guilty of murder and racketeering. Mr. Orena was convicted of all nine counts of a federal racketeering indictment accusing him of murder, murder conspiracies, loan-sharking and weapons possession.

• The Food and Drug Administration has approved a sleeping pill that the manufacturer said helped people fall asleep quickly and did not disturb deep sleep. The drug, zolpidem tartrate, targets a particular receptor in the brain believed to promote sleep, according to G.D. Searle & Co.

• Major U.S. research universities must begin shrinking or eliminating scientific departments that do not rank at the top of their fields because of the steadily dwindling levels of federal aid, a presidential advisory panel said in a long-awaited report.

• Two men arrested in the killing of a school principal, Patrick Daly, who was caught in a cross fire in a Brooklyn housing project, were already facing drug and assault charges in earlier cases. The suspects, Jermaine Russell and Khary Bekka, both 18, were arrested on charges of second-degree murder and criminal possession of a deadly weapon in the Daly slaying. (AP)



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world can fly to Moscow or our new destination Alma-Ata, to Riga or Budapest. And back of course. Our Lufthansa. Your airline.



TO OUR READERS IN BUDAPEST Hand delivery of the IHT is now available on the day of publication. Call today: 175-7735

Germany Outlaws Group 4th Neo-Nazi Ban Over Last Month

The Associated Press
BONN — Germany on Tuesday outlawed the National Offensive, the fourth neo-Nazi organization to be banned this month, asserting that its members had attacked foreigners.

The federal interior minister, Rudolf Seiters, said police raided apartments Tuesday in seven of Germany's 16 states in search of evidence to be used against the group's members.

He said explosives and other weapons had already been found in raids on Dec. 11 of apartments where members of the neo-Nazi group live.

Mr. Seiters said authorities were carrying out especially thorough investigations of group leaders in North Rhine-Westphalia, the state in which Bonn is situated, amid suspicions that they have been carrying out attacks against foreigners.

Rightist radicals have carried out more than 2,100 acts of violence this year, most of them against foreigners, leaving 17 people dead and hundreds injured.

Mr. Seiters also alleged that the National Offensive, which is believed to have about 140 members, has been involved in distributing anti-Semitic propaganda.

Other neo-Nazi groups outlawed this month are the Nationalistic Offensive, the German Alternative, and the Alliance of German Comrades, which was banned Monday.

CLINTON: Christopher to State, Aspin to Defense

(Continued from page 1)
 among hawks and doves and occasionally "greases the wheels with pork," the sought-after local defense-related spending projects.

Mr. Aspin is a graduate of Yale, has a master's degree in English from Oxford and a doctorate in economics from the Massachusetts Institute of Technology. A former army captain, he served briefly on the staff of Defense Secretary Robert S. McNamara in the late 1960s.

Mr. Aspin served on the staff of Senator William Proxmire of Wisconsin and as staff assistant to Walter Heller when he was chairman of President John Kennedy's Council of Economic Advisers. He was first elected to Congress in 1970.

Mr. Lake, 53, whom Mr. Clinton praised as a "creative thinker," is a soft-spoken and self-effacing former State Department director of policy planning who was a key foreign policy adviser to Mr. Clinton during the campaign and had a major hand in crafting the governor's foreign policy speeches.

Speaking to reporters after the announcement of his nomination, Mr. Lake said that "not since 1968 has an administration faced such difficult foreign policy problems."

A former foreign service officer in Vietnam, he joined the National Security Council staff in 1969 as a special assistant to Henry A. Kissinger but resigned after the invasion of Cambodia in 1970. He later directed an international volunteer agency and headed the State Department transition team for President-elect Carter.

In a recent interview in Time magazine, Mr. Lake described himself as "a true believer" in the anti-Communist struggle that was waged early in the Vietnam era but became disillusioned by the face-saving approach of the Nixon administration that led to thousands of U.S. casualties.

He has taught international af-

fairs and written books in the past decade, and currently teaches at Mount Holyoke College in South Hadley, Massachusetts, where he lives on a nearby farm.

In a 1985 article written with Mr. Berger, he called on the Reagan administration to take a tougher line against the South African government in an effort to free Nelson Mandela from prison and begin serious power-sharing talks with the black majority.

Mr. Lake was educated at Harvard, Cambridge University and Princeton, where he received a doctorate in 1974.

Mr. Woolsey, 51, is a Washington lawyer and former undersecretary of the navy in the Carter administration. He took an educational path that mirrored Mr. Clinton's but has a closer association with Mr. Christopher. Both Mr. Clinton and Mr. Woolsey were Rhodes Scholars at Oxford and both attended Yale Law School, although Mr. Woolsey attended four years ahead of Mr. Clinton. Like Mr. Christopher, Mr. Woolsey attended Stanford University, and both served on the university's board of trustees during the 1970s.

Mr. Woolsey was in the army for two years, rising to the rank of captain, and began his government service as a program analyst in the Pentagon under President Richard Nixon. He later advised the U.S. delegation to the Strategic Arms Limitation Talks and, in 1973, became general counsel to the Senate Armed Services Committee. Under Mr. Bush, he served as the U.S. representative to the conventional arms talks with the Warsaw Pact.

He is currently on the board of Martin Marietta Corp., a major defense contractor, and has written extensively on arms control issues.

Mrs. Albright, 55, was born in Prague and is a political scientist who specializes in the Soviet Union and Eastern Europe. She currently

teaches at the foreign service school at Georgetown University, Mr. Clinton's alma mater, and is assisting in the Clinton transition on foreign policy matters.

She has worked as a foreign policy adviser in the Democratic presidential campaigns mounted by Walter F. Mondale in 1984 and Michael S. Dukakis in 1988.

Mrs. Albright, who holds a doctor's degree and speaks Russian, was educated at Wellesley College and Columbia University. She was legislative assistant to Senator Edmund Muskie of Maine in the 1970s and served on the staff of the National Security Council during the Carter years.

Mr. Berger, 47, a Washington lawyer who has worked on international trade regulations, was Mr. Lake's deputy at the State Department's policy planning office during the Carter years and is responsible for bringing Mr. Lake into the Clinton campaign.

Mr. Berger's firm, Hogan & Hartson, has been aggressive in opening branch offices in Europe, with lawyers now working in London, Brussels and Warsaw. Among the firm's clients has been the Polish government of Lech Walesa. He is the author of a 1984 manual on foreign investment in the United States.

Mr. Berger was educated at Cornell and Harvard Law School. He has wide political experience, having worked as an aide to Mayor John V. Lindsay of New York and then Senator Harold Hughes of Iowa. He has advised and helped write speeches for a number of Democratic presidential, vice presidential and congressional candidates.

Mr. Wharton, 66, is chairman and chief executive officer of a New York insurance association that handles a \$60 billion retirement fund for college professors.

An economist, he is the former president of Michigan State University and former chancellor of SUNY, the New York state university system.

Mr. Wharton has some expertise in Asian and Third World issues. He taught in Singapore at the University of Malaysia in the early 1960s, helped the White House assess farm practices in Vietnam during the Johnson administration, and advised the State Department on food and hunger issues in a variety of capacities during the Carter and Reagan administrations.

Mr. Wharton was educated at Harvard, Johns Hopkins and the University of Chicago, where he received his doctorate in economics. According to The Associated Press, he was the first black to attend the School of Advanced International Studies at Johns Hopkins University.



A Somali dockworker standing Tuesday on bags of American rice in the port of Mogadishu.

DISARM: A Wider Mission

(Continued from page 1)
 chine guns, anti-aircraft guns or rocket launchers.

As American forces have established control in such cities as Mogadishu and Baidoa, relief workers have complained that the gangs have fled into the countryside, terrorizing small villages. "There won't be room for us and them to operate in the same area," said General Zinni.

"Any technical on the street will be seen as threatening," he said.

The new policy seems to have already started in Baidoa. Working on a tip from townspeople angry with a local gang, the military seized six technicals and a huge cache of smaller arms and detained 45 Somalis in Baidoa on Monday. General Zinni said American forces would not conduct house-to-house searches or automatically disarm anyone carrying weapons such as assault rifles.

"This is a country loaded with weapons and weapons are a symbol of manhood," said General Zinni who participated in military relief operations in Russia, Yugoslavia and Kurdistan in the past two years.

"So when you go after them," he said, "you better have thought it through."

"Well, it was, but Wyatt is in town now," an allusion to the celebrated marshal Wyatt Earp, who brought relative peace in the 1870s to Dodge City, Kansas, by banning the carrying of handguns.

General Zinni said that creating local police forces and offering communities public works projects as disarmament incentives were among the other steps commanders believe will help reduce the number of weapons in the country.

General Zinni said the military was using a Somali-language radio station and a mimeographed newspaper called Hope, which were recently established by the U.S. Information Service, to spread the word that any remaining technicals would be fair game for military patrols.

BANISH: Israeli Court Rejects Plea on Expulsions

(Continued from page 1)
 leaving aside questions of right or wrong, they have yet to make the deportations stick and they must contend with the impact of televised images of huddling Palestinians pleading to go home.

While there is no evidence that Mr. Rabin has lost Israeli public support on this matter, he faces increased press criticism that he has intensified the Palestinian uprising and enhanced the reputation of his main target, the Islamic Resistance Movement, known as Hamas.

"In soccer, this is called kicking the ball in your own net," Ran Kistlev, a columnist for the newspaper Ha'aretz, wrote Tuesday. "In

daily life and political life, this has another name: stupidity."

Adding to the pressure on the Israelis, Secretary of State Lawrence S. Eagleburger said Monday evening on a television news show that whatever the expelled Palestinians may have done, "the fact of the matter is you can't leave them wandering around in the middle of no place out there, being shot from both directions."

Some Israeli officials insisted that, whatever the problems now, Lebanon would eventually accept the exiles, and the crisis would subside without lasting harm inflicted on peace negotiations. That assessment was disputed by Hanaan Ashrawi, spokeswoman for the Palestinian delegation to the talks,

who warned tonight that the Supreme Court ruling "cast serious doubts" on Israeli decision-making and dealt "serious blows to the possibilities of peace between Palestinians and Israelis."

Essentially, the court decided after three days of hearings on the expulsion order that there was nothing for it to decide. "We didn't see room for us to get involved," said Meir Shamgar, the court president.

End Seen to Gaza Closure
 Israel will lift the 16-day closure on the Gaza Strip on Wednesday, allowing Palestinians to cross into Israel, Reuters reported Tuesday from Jerusalem, citing army sources. The curfew will remain in force in parts of the strip.

tion forbids the deployment of German forces outside of NATO nations.

"This is a very sensitive one for our German friends and they want a little bit more time," said a NATO source, who asked not to be identified.

In Washington, the foreign ministers of Austria, Hungary, Poland and Slovenia, which was once part of Yugoslavia, gave President George Bush strong support for tough action to enforce the exclusion zone.

"It is highly important to take certain actions beyond mere peace-keeping because the massive violation of human rights in that area might find imitators elsewhere — elsewhere in Europe and elsewhere in the world," said Foreign Minister Krzysztof Skubiszewski of Poland.

Mr. Panic, who appeared to be lagging far behind President Slobodan Milosevic in Serbia's presidential election, indirectly appealed to the outside world not to hold the people of

SERBS: Panic Urges World Not to Use More Force to Stop Bosnian Strife

(Continued from page 1)
 Serbia responsible for Mr. Milosevic's apparent victory.

"The elections in Yugoslavia have with reason provoked great attention in the domestic and world public," he said in a statement to Tanjug. "A choice was made between two concepts and two systems. It was not a choice of the voters between two figures."

With less than 50 percent of the vote from Sunday's election officially counted, Mr. Milosevic's share was put at 55 percent. Mr. Panic was said to have won 24.95 percent. There was still no exact figure for voter turnout, however.

The election was regarded by many as important for the future course of the war in Bosnia.

Mr. Panic, a Yugoslav-born California millionaire, promised to end the fighting if elected. He accused Mr. Milosevic of cheating in the election and said he would request a new vote within 90 days.

"As a presidential candidate," he said, "I have already told the public that there were so many irregularities at the elections that in any

state ruled by law they could with full reason be annulled."

He cited government control of the media, which has also been criticized by international observers. The observers said that the campaign was unfair and accused Mr. Milosevic of running a smear campaign against Mr. Panic.

"In view of the fact that only the first channel of state TV is seen in the entire territory of Serbia," Mr. Panic said, "it is clear that these programs were the only basis for the people in the interior of the country to make their choice."

In northern and central Bosnia-Herzegovina, Serbs pounded villages and towns on Tuesday, the Croatian press agency HINA reported, citing Bosnian radio.

Serbian artillery concentrated on the northern villages of Brcko and Gradina, where Serbian forces placed reinforcements on Monday, bringing them in by truck or helicopter.

But the northern town of Maglaj was relatively calm on Tuesday after a night of heavy artillery fire.

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In 1963, when he was 24, he tried to organize an opposition political party, the Freedom Party, and was arrested for the first time. He was held without trial for three years, and that turned him against the Kuomintang.

"Until then, I figured that the Kuomintang was basically a good party, with some lower officials who weren't so great," he recounted in Mandarin Chinese. "But that was when I lost my faith in the Kuomintang. It couldn't be trusted."

After being released, he fell in with other dissidents and began to seek out just democracy but an independent Taiwan, separate from the Chinese mainland. This was heretical, since the Kuomintang, ousted by Mao Zedong's Communists in 1949, claimed to rule all of China from the island.

Arrested again in 1967, he was sentenced to 10 years for rebellion. Freed on probation in 1975, he began working as deputy editor of a daring new political magazine. A year later he was back in prison, sentenced to a dozen years for inciting rebellion. He served the full term and was released in 1987.

Mr. Huang then became active in the opposition Democratic Progressive Party. In 1990 he mounted a quixotic drive for president, campaigning around the island, even though the president was chosen

not by popular vote but by parliament. He even timed his wedding for the campaign. That way, he could use presents of cash to finance his race.

Late in 1990, he was again arrested and sentenced to 10 years for advocating an independent Taiwan, and he remained behind bars until May.

These days, however, Mr. Huang attracts little attention and is given little chance of succeeding in politics. The characteristics that made him and other political prisoners so steadfast — their unwillingness to compromise, their passion for far-reaching change — appear to alarm voters and seem to be liabilities in the changed political system they helped achieve.

Deputy Foreign Minister John H. Chang seemed unembarrassed, even intrigued, when asked about Mr. Huang. He inquired if Mr. Huang still seemed mentally balanced after enduring so many years in prison. (He does.) Mr. Chang then mused that the dissidents had lost their best campaign theme.

"The issues on which they attacked the government are gone," he said. "So I don't see how people like Huang Hua can have much of a future."

This seems to describe Mr. Huang. Early this month, the Democratic Progressive Party held a fund-raising banquet, but when Mr. Huang showed up, there was no place at the head table for the party's former presidential candidate. He found a place at another table, but was treated as a nobody.

"It was very sad," a guest at the banquet said. "He stayed for a while and then left early."

DISSENT: A Veteran Taiwan Dissident Finds Himself Without a Calling

(Continued from page 1)
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AIRLINE: British Airways, Balking at U.S. Demands, Drops USAir Deal

(Continued from page 1)
 High-powered lobbyists, including power brokers from previous Republican administrations representing both sides, had been peddling for weeks that he would reject it.

Mr. Card said the deal "pushed the envelope of legal precedent" but would not guarantee the "open skies" access to British airports he had demanded, and which he said he hoped the incoming Clinton administration would pursue. There was no evidence that the Clinton transition officials had intervened.

The recently privatized British airline, leading in the fight among the world's carriers to construct globe-girdling alliances, had proposed an innovative deal to inject \$750 million into USAir in exchange for veto power over decisions made by its board, thus enabling the two airlines to operate as one.

U.S. law prohibits a foreign entity from owning more than 25 percent of a domestic airline's voting stock, and the three biggest U.S. lines — United, American and Delta — complained to the Department of Transportation.

Instead of opposing the deal outright, they saw an opportunity to trade the challenge by a deep-pocketed foreign competitor for more gate space at Heathrow, Europe's premier aviation gateway to the

continent, the Middle East and Africa. The British countered by offering more access to regional cities.

In dropping the deal, British Airways said the United States was seeking "unwarranted and unilateral concessions" from the British government.

But Robert Crandall, chairman of American Airlines, said British Airways had made a "simple balancing of business interests" by offsetting its potential gains in the United States against the loss of "its unchallenged dominance" at Heathrow and thrown in its hand.

This judgment was echoed by airline analysts, who saw the deal with USAir as too far ahead of its time. Two fundamental issues were involved, and both challenged the postwar structure of international aviation, which is founded on a network of bilateral agreements between countries to serve cities in each of them. One is who controls each nation's airlines, and the other is which airline gets access to its airports.

"If the United States had approved British control of USAir, it would have no longer would have been a U.S. carrier but still would have been serving domestic airports," said John Ash of Global Aviation Associates in Washington. "That could have opened the way for other countries to raise legal challenges to their bilateral

agreements with the United States. I'm not saying that would be a bad thing, but it would open up questions that most countries are not yet ready to tackle."

That's especially true of the European Community, remarked John Pincavage of Transportation Group Ltd., a New York investment firm.

"American, Delta, and United really couldn't get what they wanted without a combined EC aviation strategy," he said, "and we're a long way from the point where the Europeans could offer landing rights in many of our cities. When they are ready to strike that deal, access to Heathrow would be the crown jewels that the Europeans want to offer. If the British had bargained it away now for access to USAir's routes, their European partners would have accused the British of another double cross."

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Persistence Paid for U.S. Carriers That Opposed the Opening to BA

New York Times Service
NEW YORK — When Robert L. Crandall, chairman of American Airlines, began to lead the four-month lobbying effort against the British Airways deal to buy a major stake in USAir, he was largely a voice in the wilderness.

The other side had gotten the jump by winning endorsement for the venture in major newspapers; USAir workers were sending thousands of letters to legislators who seemed to be able to gain the ear of major political figures, including President George Bush.

But eventually the juggernaut of three major airlines — United, American and Delta — and the Federal Express air freight carrier began to have an effect. The four hammered away at their position that they would go along with the deal if Britain would reopen bilateral agreements and give U.S. carriers wide latitude in expanding their

In time their position began to appear reasonable while BA's argument that the investment would save jobs at USAir and should not be tied to changes in the bilateral accords began to sound unfair.

Canadians Tightening Rules on Immigrants

By Clyde H. Farnsworth

TORONTO — Long considered a model of generosity in granting asylum to the world's persecuted, Canada is making its immigration procedures more restrictive in the biggest change in Canadian immigration law in 16 years. With unemployment well over 10 percent, the new law responds to a decline in Canadian tolerance toward immigrants, among other reasons, because they are seen as competitors in the labor force. The law, which received final approval on Dec. 17 and was to take effect by Jan. 1, has drawn criticism from refugee and civil liberties groups. Asylum approvals have been on the decline, from 76 percent of the applicants in 1989 to 57 percent this year, and the law is expected to lower the rate further. But Canada's policies will still be more liberal than those of the United States. For instance, Canada has no country quotas, but assesses applicants on the basis of professional, educational and financial backgrounds, a process further developed in the new law. Howard Greenberg, head of the immigration section of the Canadian Bar Association, said that under the law, "applying to Canada will be like applying to law school. The government will collect applications worldwide and assess them as against one another, and select the cream of the crop for processing." The main restrictions relate to refugees. "We're concerned that this new legislation will restrict the number of people who get to Canada to make a refugee claim," said Fay Sims, Canadian refugee coordinator for Amnesty International. A survey by the Immigration Department demonstrated that Canada is not isolated from the wave of xenophobia rolling over Europe. More than 40 percent of Canadians, according to the poll, say their country admits too many immigrants. One-third say they want to "keep out people who are different from most Canadians." But Greg James, president of the Refugee Lawyers Association, challenges the general perception that Canada receives more than its fair share of refugees. Thirty thousand people sought asylum in Canada last year, he said, compared with 256,000 in Germany, 46,000 in France and 45,000 in Britain. According to data from the Immigration and Naturalization Service, the United States accepted nearly 500,000 refugee applications last year. Some critics argue that the law is part of the positioning of Prime Minister Brian Mulroney's Progressive Conservative government for elections next year. The measure is seen as stealing thunder from the Reform Party, which has been taking votes from Tories in western Canada and which has long called for immigration curbs. To Employment and Immigration Minister Bernard Valcourt, the measure meets the "new realities" of the 1990s. Refugee advocates have serious reservations about a provision that gives border guards the right to determine who is entitled to make a refugee claim, without appeal. "We're concerned about that," said Mr. James, "because it will be done in the context of a simple interview in which the claimant may not have counsel or a qualified person to assist him."

U.S. Women Lagging In Blue-Collar Jobs

By D'Vera Cohn and Barbara Vobejda

WASHINGTON — American women with college degrees surged into professional and executive occupations over the past decade, but those with less education were locked out of many male-dominated blue-collar jobs, new census figures show. Across the United States, less-educated women often remain in low-paying jobs in child care and office work. Two decades after women broke into male-dominated trades such as construction and auto repair, they hold a tiny minority of those well-paid jobs, unable to overcome stubborn barriers. Women hold just under 3 percent of jobs in the nation's construction trades, barely changed from 1980, and just over 4 percent of repair jobs. Women gained in other types of blue-collar employment. They doubled their share of jobs as postal carriers and now make up nearly half of all bus drivers and dispatchers. Some experts said that jobs such as fire fighting and construction may be less attractive to women because of strong group cultures that can encourage hostility and harassment from men. Women made more inroads into jobs such as postal delivery and meter reading perhaps because people in those jobs work alone. Census data for 1980 and 1990 provide the most detailed look in a decade at the status of women in the workplace. Experts said the greater presence of women in professions such as law was a result of pressure brought by women's organizations and the civil rights movement to get more female students into the educational pipeline. Now, one-third or more of medical, law and business school graduates are women. Women represent 46 percent of the nation's financial managers, 42 percent of biologists, 21 percent of physicians and 39 percent of math professors. By contrast, women's advocates said, unfriendly craft unions and tradition-minded job counselors still control access to apprenticeships and training programs that lead to jobs in the blue-collar world. Weakened enforcement of job discrimination laws over the last decade also hurt, they said. In some cases — manufacturing and coal mining, for example — women began pressing for equity just as employment declined.

China Fêtes Launching, But Satellite Vanishes
BEIJING — A telecommunications satellite launched by China has disappeared, and the Australian owners said Tuesday that they had given it up for lost. The disappearance could set back China's ambitions in the competitive launching industry. China Great Wall Industry Corp., the company that launched the satellite on Monday, went ahead with a celebration banquet Tuesday at a luxury hotel, and company officials made no mention of the satellite's disappearance in their speeches. Officials from Optus Communications, which owns the satellite, and Hughes Aircraft Corp. of Los Angeles, which made it, did not attend. David Foster, a spokesman for Optus, said that they had not received "any signals at all." "We can't track it," he added. "It might have blown up." But Tan Li, a spokeswoman for China Great Wall, said, "We have completed our launch responsibilities. We had no problems."

Czech Student Is Charged

Agence France-Press

PRAQUE — A 19-year old student has been charged with the attempted murder of the Czech Communist Party chief, Jiri Svoboda, the CTK news agency said Tuesday. On Dec. 5, a man wearing a mask stabbed Mr. Svoboda outside his house.

Nathan Milstein, Celebrated Violin Virtuoso, Is Dead at 88

By Harold C. Schonberg

NEW YORK — Nathan Milstein, 88, the Russian-born violin virtuoso, died of a heart attack Monday at his home in London. To many, Mr. Milstein — the last surviving pupil of Leopold Auer, considered the 20th century's preeminent teacher of violin — was the greatest of all exponents of the 19th-century repertoire, though he played music from Bach to Prokofiev and had achieved a special affinity for the Beethoven unaccompanied sonatas. From the beginning, his playing was constantly described as "flawless," "aristocratic" and "elegant." A supreme technician, he nevertheless refrained from flamboyant, extraordinary bow and finger dexterity. Instead he concentrated on the substance of the music, interpreting it in a warm, unaffected, personal manner. As a Romantic violinist he had in his repertoire any number of virtuoso works, including his own "Paganiniana," a wild mélange of violinistic stunts based on the famous 24th Caprice by Paganini. But even in works like these he managed to imbue the music with a kind of elegance that completely transcended any hint of vulgarity. Year after year, Mr. Milstein played in much the same flawless manner, with no apparent deterioration. He never seemed to age. Brown-haired, medium-sized, stocky but never looking stout, he came on stage and, in his imperious manner, made music as he always did. His playing, virtuosic as it could be when the music demanded, always gave the feeling of intimacy. It was characteristic that he elected to use a Stradivarius, a more subtle instrument with a smaller sound than the Guarnerius del Gesù instruments favored by more exhibitionistic players. In Glenn Dicterow, the concertmaster of the New York Philharmonic and a representative of the younger generation, Mr. Milstein ranked with Jascha Heifetz and Fritz Kreisler as one who set all-time standards. "Milstein was the complete violinist," he said. "You heard three notes of the man and you knew who was playing. It was pure, uncluttered, honest playing free of any technical problems. He set a standard that nobody today can touch." Like many Russian violinists of his period, Mr. Milstein came from the ghetto. He was born in Odessa on Dec. 31, 1903, and started studying the violin at the age of 4. He later said that he became a violinist because his mother made him study the instrument to keep him out of mischief. He had several teachers as a child, the best of whom was Peter Stollarsky, later the teacher of David Oistrakh (also born in Odessa, in 1908). The young Milstein soon outstripped everybody around. At age 10 he played the Glazunov A-minor concerto with the composer on the podium. At 11, he was admitted into the Odessa Conservatory. When he was 12 he was in Mr. Auer's class in St. Petersburg. Among Mr. Auer's pupils were Mischa Elman, Heifetz, Efrem Zimbalist and Toscha Seidel, all Jews. In those days it was no easy matter for a Jew to gain admittance to the St. Petersburg or Moscow conservatories, but Mr. Auer, once convinced of the genius of a young player, managed to arrange the necessary papers. Mr. Milstein remained with Mr. Auer for about three years and later in life said that Mr. Auer had not really taught him very much. Mr. Milstein made his recital debut in 1915, accompanied at the piano by his sister. He soon started giving recitals all over Russia. In 1921 he started a lifelong friendship with a young pianist named Vladimir Horowitz. They thought much the same way about music, played through the entire literature at home and started giving concerts together. From all accounts, Mr. Milstein was a happy-go-lucky young man at that time, taking his great talent for granted, enjoying a good time, never worrying about the next day. In 1926, Mr. Milstein left Russia for Paris, arriving there with no money and no violin. For a short period he worked with the famous Belgian violinist Eugène Ysaÿe. He soon found a patron, made a sensational debut in Paris, and his career as one of the great violinists was launched in the West. In October 1929, he made his American debut with the Philadelphia Orchestra under Leopold Stokowski's direction, playing the Glazunov A-minor concerto. In 1942 he became a U.S. citizen. **Albert King, Blues Guitarist, Was Having Career Revival** **MEMPHIS, Tennessee (AFP)** — Albert King, 69, the noted left-handed blues guitarist who was enjoying a career revival and planned to tour Europe next year, died Monday of a heart attack, relatives said. He began recording in the early 1950s and quickly exerted a strong influence on rock music, with such guitarists as Eric Clapton paying him homage in their music. Born in Indianola, Mississippi, Mr. King began his recording career with "Bad Luck Blues" and "Be on Your Merry Way," making the blues charts with songs like "Laundromat Blues" and "Don't Throw Your Love on Me So Strong," and with his 1968 album "Live Wire-Blues Power." **Stella Adler, 91, a Leading Teacher of Method Acting** **NEW YORK (NYT)** — Stella Adler, 91, a leading exponent of Method Acting who many consid-

ered the leading American teacher of her craft, died Monday at her home in Los Angeles. She died of heart failure, said Irene Gilbert, director of the Stella Adler Conservatory in Hollywood. Miss Adler was born into a celebrated acting family rooted in the Yiddish theater. She made her stage debut at the age of 4, appeared in nearly 200 plays in the United States and abroad, and occasionally directed productions. She also shaped the careers of thousands of grateful performers, including Marlon Brando, Warren Beatty and Robert De Niro, at the Stella Adler Conservatory of Acting in 1949 and where she taught for decades. Louis Ducreux, 81, whose 60-year career as a playwright, actor and composer included stints as director of the Marseille and Monte Carlo operas, died in Paris Saturday. No cause of death was given. Albert Sazboon, 85, responsible for financial statistics at the Herald Tribune in Paris, from 1944 to 1972, died of a stroke Saturday in Paris.



Nathan Milstein, one of this century's leading violinists.

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The auto-da-fé scene from Franco Zeffirelli's production of Verdi's "Don Carlo" that opened La Scala's season.

At La Scala, a Flawed 'Don Carlo'

By David Stevens
International Herald Tribune

MILAN — When Luciano Pavarotti opened La Scala's season with the cracked oote heard around the world, it got Italy's leading opera house some publicity of the kind it could do without.

But it also raises the question of why Pavarotti was cast in the title role of Verdi's "Don Carlo" in the first place. In many ways, the role of the melancholy Spanish prince seems singularly ill-suited to the tenor's flamboyant personality. Furthermore, although it is the title role, it is far from being the most important male role in this oppressive but darkly beautiful opera.

Pavarotti apologized publicly and cleaned up his act, but that was not enough to rescue a lavish but hollow production by Franco Zeffirelli, surprisingly disjointed musical direction by Riccardo Muti, and less than satisfactory casting in several roles.

"Don Carlo" is not an easy matter. Written originally in five acts for Paris in 1867 and massively revised in a four-act version given at La Scala in 1884 (the version Muti used), it is Meyerbeerian display on the outside but

Verdian personal drama on the inside. The complex plot uses history, but does not follow it. The many conflicts—church vs. state, father vs. son, political liberalism vs. the oppressive state, an impossible love—are given personal form in scenes of compelling musical power. And the low voices prevail—the musical-dramatic peaks include extended bass-bass and bass-baritone duets and a quartet without a tenor.

Zeffirelli's staging and sets seemed designed more for Meyerbeer than Verdi, geared toward outward display instead of dramatic pertinence. And the direction of individual singers, insofar as it existed at all, was of the "don't just stand there, do something" school.

The great confrontation between Philip II and the Grand Inquisitor was semi-riveted. The Inquisitor, 90 years old and blind, is the embodiment of an implacable church. He was appropriately led in by two monks, but as soon as they left, the Inquisitor forgot his sightlessness and lurched around the stage looking like nothing so much as a singer seeking a resonant spot from which to address the audience.

The audience at the fourth performance did not seem unduly upset when Pavarotti

and the soprano Daniela Dessi, the Elisabeth of opening night, both called in sick. They were replaced by a Russian duo, Sergei Larin and Nina Rautio. They sang with appealing lyricism and, in the recantatory duet of the final scene, with touching sensitivity. Nonetheless, these are roles that call for more pure vocal weight.

Both vocally and dramatically, Paolo Coni was a pale Rodrigo, the improbable political liberal but one of Verdi's great baritone roles, and Luciana D'Intino was a charming but vocally underweight Eboli.

VOCALLY, only the two leading basses sang with total assurance and dramatic sense. But Samuel Ramey played Philip II as a young, energetic man—historically right but dramatically dubious. He sang the king's great soliloquy with much feeling, but this is the lament of an old man, not otherwise in evidence. Alexander Anisimov's solid Russian bass is well employed as the Inquisitor—if only he had been allowed to sit still.

Muti, although he labored mightily in the pit, seemed not to have arrived at overall musical control of the work, although beginning with the third act the performance began to give off intermittent signs of catching fire.

LONDON THEATER

4½ Hours Can't Save This 'Hamlet'

By Sheridan Morley
International Herald Tribune

LONDON — Clocking in at four and a half hours, Adriano Noble's oev "Hamlet" at the RSC Barbican is a late-Victorian melodrama dominated by death.

Long before we reach the Grave-diggers themselves, their territory is center stage. Indeed, the Ghost of Hamlet's father pops out of the Earth at the outset like a figure from a Stephen King horror.

From there on the evening becomes a lengthy and odd mix of Chekhov and J. M. Barrie's Ophelia (Joanne Pearce) seems to have stepped straight out of "Peter Pan" while the actors stepping off a train at Elnore station might well be en route to the first performance of "The Cherry Orchard."

Then we've John Shrapnel as a mildly Machiavellian Claudius, David Bradley as a civil-servant Polonius and Jane Lapotz as a country-house-party-hostess Gertrude, all secure enough in the own worlds through which Kenneth Branagh's Hamlet moves amiably if rather uncharismatically.

This is Branagh's third Hamlet in as many years, and he seems yet again the perfect Horatio or Laertes. What he lacks most crucially are Hamlet's qualities of indecision or procrastination, so that only in those rare moments of the prince's action does his performance come to any real life.

There is no internal energy here, no real philosophy or agonized self-examination, just a rather jolly team leader crashing into the shadows of Denmark's courtly turmoil.

Noble has one or two intriguing options, notably that Gertrude drinks the poisoned chalice at the end out in ignorance, but rather in a defiant suicide gesture having at last realized the evil of Claudius, but most of his best ideas are peripheral to Hamlet's central dilemma and constitute a series of elegant sideshows while the center of the action remains something of a void, albeit attractive and intelligent in its interior decorations.

Downstairs in the Barbican Pit, Peter Shaffer's "The Gift of the Gorgon" is a magnificently over-the-top moral drama about a rogue dramatist and his guardian wife.

Shaffer is here concerned with the possibility of bringing Greek revenge tragedy to the modern British political stage. His playwright is determined to challenge



Robert Lindsay in "Cyrano de Bergerac."

an audience grown soft on the work of his contemporaries, and when that audience finally leaves him alone he retreats to a Greek island, there to arrange a death more appalling than any in the classical tragedies of that area.

As always operatic, unwieldy, overwritten and unmissable, Shaffer here continues the debate that runs from "Royal Hunt of the Sun" through "Equus" and "Amadeus" to "Leticia and Lovage," the one about the manic but godly artist up against the worldly figure of reason but no inspiration.

With Michael Pennington in the role of the artist and Judi Dench as his all too reasonable wife we are in powerful hands, and Peter Hall's production magnificently opens up the cramped confines of the Pit to show us the Greeks who are forever present, as well as the dramatist's

appalled academic son (Jeremy Northam) trying to annotate a career that has self-implored into violence and destruction.

At a time when most contemporary playwrights shy away from such universal themes as the justice of revenge and the possibility of the theater as a temple, Shaffer bravely goes in at the deep end, leaving director and cast to try to keep the play from drowning in its own huge ambitions.

This they very nearly do, and although at moments we are dangerously near parody ("I slept badly last night" "Not as badly as you will tonight") the Grand Guignol is finally kept at bay by the sheer intensity of what Shaffer has to say about sacred drama.

At the Haymarket Theatre Royal, "Cyrano de Bergerac" has a strong central performance from Robert Lindsay but a rather shaky supporting cast in a new translation by John Wells which, while it has its moments of poetry (not least in the final orchard scene), lacks much of the magic of the recent Gérard Depardieu movie.

Some of the problem here has to do with Stella Goetz as Roxanne and Gary Cady as Christian. Neither are able to command much of our interest in the actual plot, so that we are left with Lindsay endlessly bucking his smush to get us through a sub-Fairbanks evening in which only Julian Glover as de Guiche seems to have the classical intensity of the last RSC/Derek Jacobi revival.

At the Criterion, there is a curiously pointless staging of "Miserere," the Stephen King best-seller that has already become an Oscar-winning movie.

This was the one about the famous author who crashes his car into a tree, only to be taken hostage by a mad female fan who chops off his foot when he declines to write another sequel to her favorite of his works. Quite why anyone should wish to turn out on a dark night to see this Gothic creep when for about half the price they can stay home with the video is a mystery all in itself.

But for those who have managed to survive the last catastrophic attempt to get King on stage (the RSC musical of "Carrie") this one does at least have a certain stage-management adequacy. Sharoo Gless from "Cagney and Lacey" is the loopy fan, Bill Patterson restrained in more ways than one as the author.

In Berlin, the Barenboim Touch

By John Rockwell
New York Times Service

BERLIN — On Dec. 7, 1942, the Berlin Staatsoper celebrated its 200th anniversary. It cannot have been an altogether festive occasion. Germany was locked into a murderous war that present observers knew it would lose. The historic opera house had been destroyed by Allied bombs the year before but rebuilt in record time (it was to be destroyed again in 1945).

Three weeks earlier in Buenos Aires, Daniel Barenboim, the son of Ukrainian Jewish refugees, was born. Fifty years later, as the new artistic director of the Berlin State Opera, Barenboim led its forces in the formal observance of the company's 200th anniversary.

Barenboim's arrival in Berlin, in the wake of his dismissal from the Opera Bastille in Paris in 1989 and as part of the German capital's determined effort to remake itself, and its eastern portion especially, into a true world cultural center, is likely to transform this venerable company.

The State Opera sits squarely in the middle of the grand classical buildings on Uster den Linden, the city's central boulevard. It is the most important opera house in the city, and it has had its many glorious years of artistic achievement. But over the years it has also been challenged by other companies, most recently the nearby Komische Oper and the Deutsche Oper in West Berlin.

Barenboim's 10-year contract will allow him to put into practice operatic policies he had formulated in Paris. But there are differences between a new theater with the latest in stage machinery and a tradition-laden house with a big ensemble, ample repertory and antiquated equipment.

"The main difference is that at the Bastille I would be doing exactly what I'm going to do here but with nothing in between," the con-

ductor said in an interview. "Here we already have a large number of productions we can play."

Barenboim said the huge repertory had already been reduced from 50 to 30 operas but that was "still too much" for the proper preparation of each production. He stressed that many repertory productions, especially those by Ruth Berghaus and Harry Kupfer, remained viable. But he said that it would take three to five years before the repertory and ensemble had been reshaped the way he wanted. This will not, he hastened to add, involve full-scale disruption.

His arrival is likely to transform the State Opera.

tions of the existing personnel—partly to sustain morale and partly because, he said, many solo singers and orchestra and chorus members were already very good.

Georg Quander, the theater's new administrative director, said there will be other noted conductors and stage directors, along with new blood. Pierre Boulez, a strong Barenboim ally in Paris, will compose a new opera for Berlin as well as conduct Mussorgsky's "Boris Godunov." Other plans include a new Wagner "Ring," conducted by Zubin Mehta and Christoph von Dohnanyi and directing by Patrice Chéreau. Dieter Dorn and Achim Freyer, Barenboim said he would spend five months a year in Berlin and four months at his other job, music director of the Chicago Symphony.

This calendar year, the State Opera's subsidy is \$45 million, rising to \$58 million in 1993. That will be \$9 million below the Deutsche Oper, but that company's management is still fearful that Barenboim has stolen their thunder.

"You can't say the State Opera has priority when we get 15 million marks less subsidy," Barenboim replied. Still, all three Berlin companies are jockeying for position. Reaffirmations from politicians at the 250th-birthday celebration that all three companies would continue to exist drew loud applause.

To generate additional revenue for new productions and special projects, the State Opera announced the formation of a star-studded donors' board headed by Hans-Dietrich Genscher, the former West German foreign minister, and including Teddy Kolek, the mayor of Jerusalem.

The board represents a deliberate effort to internationalize the State Opera. To that end Quander has formally proposed that the word "German" in the East German name for the company, the Deutsche Staatsoper, be dropped. The East German crest, carefully etched in gold in place of the old Hohenzollern royal insignia, has already been removed.

MUSICALLY, the official birthday ceremony was the least interesting of what had been conceived as a three-day celebration. Two days before, Barenboim conducted a handsome new production of Busoni's rarely heard opera "Die Brautwahl" ("The Bridal Lottery"). The next day René Jacobs led a complete (four-and-a-half-hour) staged performance of Graun's "Cleopatra e

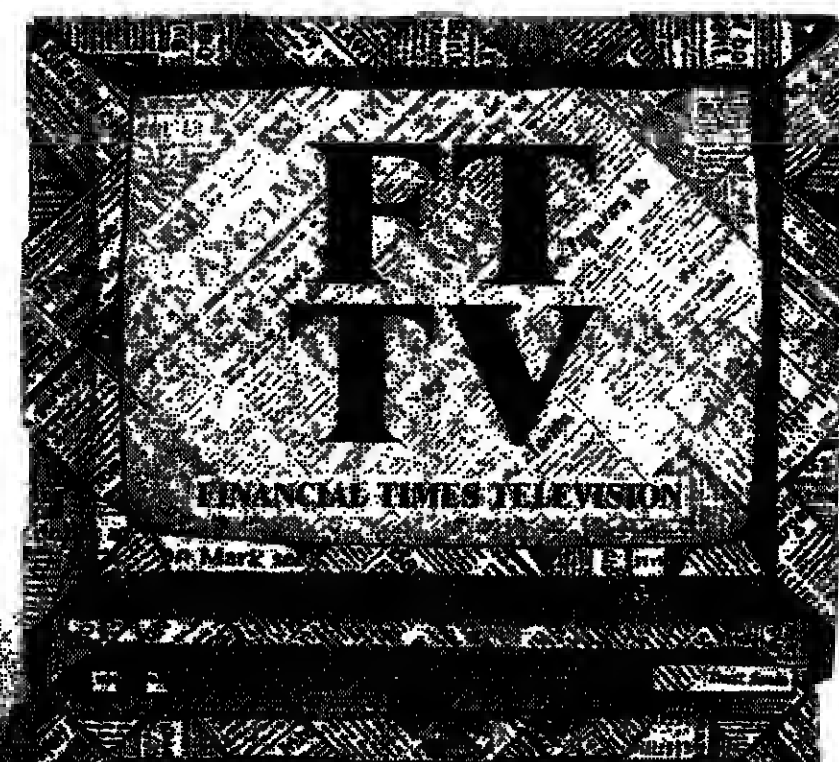
Cesar," which Frederick the Great commissioned to open this opera house.

In light of Berlin's laudable yearning to the outside world—a policy Genscher and others portrayed as a counterweight to recent neo-Naziism—the choice of the Busoni seemed problematic. Like Barenboim, Busoni was a famous pianist who expanded his musical horizons and chose to live in Berlin. "Die Brautwahl" (1912) was based on an archetypally Berlin story by E. T. A. Hoffmann.

But the story, which involves the intercession of two centuries-old medieval magicians into a comic-opera love quadrangle, has a curious flavor today. The villain is Jewish. The good magician has also been turned into a Jew in this production, in which all manner of cuts and alterations have been introduced for political purification. "I resolved the question of anti-Semitism because we simply don't deal with the Jewish problem," Barenboim argued.

Still, despite a strong cast, an ingenious staging and Barenboim's sure conducting of the erratic but often lovely score, a disconcerting aftertaste lingered. As one of Germany's leading music critics, Gerhard R. Koch, put it in the Frankfurter Allgemeine Zeitung: "Elements that between 1820 and 1912 could be perceived as picturesque fatally undermine the piece after Auschwitz and in light of the recent racist excesses."

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INTERNATIONAL Herald Tribune

Hong Kong Needs Clinton

Diplomats say Deng Xiaoping himself orchestrates China's bullying of Hong Kong, aimed at intimidating the colony's governor, Chris Patten, into dropping his proposals to broaden democracy.

Washington's potential leverage is also great, since China's development depends on access to U.S. markets. Unfortunately, the Bush administration has undermined that leverage by vetoing any linkage between repugnant Chinese policies and trade restrictions.

Now the White House?

In the short time since the story broke about the State Department's pre-election search through Bill Clinton's passport files, the scope of the potential wrongdoing has escalated in deed and rank.

Mr. Barr told the court that allegations that she may have made false statements to the inspector general's agents were in fact supported by evidence, and "the evidence of her lack of criminal intent is less than clear and convincing."

Distinguished Journalist

Dusko Doder, now a free-lancer in Europe, was Moscow correspondent of The Washington Post in the crucial period of 1981-1985. The late-Stalinist political culture represented by Leonid Brezhnev was yielding to the modernizing elements that were finally to emerge in the person of Mikhail Gorbachev.

press but officials in American intelligence and diplomacy. In a typical episode, he reported accurately and over (presumably CIA-supported) State Department denials that the Soviet leader Yuri Andropov had died.

Other Comment

Someone's Somali Quagmire Somalia is not just a country in trouble. It has fallen apart. There are no national political institutions capable of taking advantage of the superficial peace that foreign troops can impose beyond the immediate food crisis, Somalia's problem is political.

peacekeeping troops take over. Unfortunately, it seems likely that the United States and other participants in Operation Restore Hope will give in to the pressure. Even more worrying are the signs that the president-elect, Bill Clinton, in considering a more ambitious and prolonged role for U.S. military forces.

OPINION America Has to Get Serious About the Ex-Soviet Union

By Sam Nunn and Richard Lugar

Senator Nunn, a Democrat from Georgia, chairs the Armed Services Committee of the U.S. Senate. Senator Lugar, a Republican from Indiana, is a member of the Foreign Relations Committee.

WASHINGTON — Our understandable national focus on the human tragedy in Somalia and Bosnia must not divert our attention from events in the former Soviet Union that will affect our vital national security interests for generations to come.

Ukraine, still aimed at the United States, still capable of being launched without warning in massive numbers at our cities and our citizens. Unlike the situations in Bosnia and Somalia, the potential humanitarian disaster posed by the former Soviet Union's nuclear weapons — even if only one or two were launched accidentally or exploded due to faulty maintenance — cannot be seen right now on television.

Some of the ambiguities and funding given by Congress, in providing humanitarian and technical assistance, and in establishing diplomatic missions in the new countries of this important region. Nevertheless, what is now required, and in our judgment required urgently, is (1) an overall strategy that integrates all aspects of our policy toward the former Soviet Union, and (2) careful, Washington-based management of this strategy so that the United States can respond with maximum effect to the historic opportunities afforded us by the collapse of the U.S.S.R., while minimizing the nuclear and associated risks that accompany this collapse.

The Clinton Laser Will Have to Beam on Russia, Too

By Jim Hoagland

WASHINGTON — Bill Clinton promised to focus "like a laser beam on the economy." When he arrives in Washington, he will find two old Senate hands, Sam Nunn and Richard Lugar, taking just that approach on the former Soviet Union.

of their disarmament approach were being held up by bureaucratic wrangling in Washington. Mr. Nunn and Mr. Lugar have pushed almost to completion negotiations to have the United States finance the dismantling of ex-Soviet warheads by buying the highly enriched uranium they contain. The revenue would be shared by the four ex-republics. But the two senators were stunned when they were told at the Dec. 9 meeting that approval was being held up by objections from the Commerce Department that the deal would give the Russians unfair trading advantages.

All aspects of our policy for this part of the world should be organized under one high-level coordinator, reporting to the secretary of state and the president, who is responsible for the overall effort and can cut across departmental lines, who works closely with the U.S. business community and who has no other substantive responsibility. This should be an early priority for the Clinton administration.

Welcome This Change and Support Chernomyrdin

By Melvin Fagen

GENEVA — The replacement of Yegor Gaidar by Viktor Chernenko provides an opportunity for changes in the misguided policies followed by the Bush administration toward market reforms in Russia.

who have profited from their control of assets while the rest of the population suffers from a galloping inflation of almost 2,000 percent a year and survives mainly by selling their few possessions in street markets. The rapid growth of crime and delinquency and of a "mafioso" class that obtains protection fees and bribes government officials.

depriving the newly rich profiteers of their ill-gotten wealth. In postwar Germany such a monetary conversion stabilized inflation and provided a basis for healthy recovery. There is good reason to believe it could do the same in Russia.

America Is Scarcely Helping

By Jeffrey D. Sachs CAMBRIDGE, Massachusetts — A Washington Post editorial (11/17, Dec. 7) claimed that Russia has received \$2.5 billion of the \$24 billion in aid that was promised in April. This is unfortunately incorrect and is based on faulty accounting by Bush administration officials intent on hiding a record of reckless neglect.

ted before 1992 and was never part of the \$24 billion aid package. The editorial credits the West with rescheduling Russia's debt. Unfortunately, this has not occurred. The Paris club of official creditors has so far failed to agree on a debt rescheduling this year. Many funds offered to Russia at the start of the year have since been blocked by the donor governments, because of the absence of a debt rescheduling. The best that the West has come up with are several three-month rollovers of debts, which have given no relief to Russia or to potential new donors and investors.

1892: Cleveland Flees NEW YORK — Mr. Cleveland left town to-day (Nov. 22) on a fortnight's holiday, to escape from the office-seekers who daily invade his residence. He states that if on his return he is annoyed and pestered as he has been since the election, he will close his town house and seek a quieter place, in which he will spend the winter.

1917: More Men Needed WASHINGTON — Two conscientious objectors who resisted being enrolled in the Army, hoping that their refusal to serve would give them time to build a bridge across a river that to take one leap into the abyss. A major effort needs to be made as a first priority to reduce skyrocketing inflation. This objective can be attained only by a conversion of the existing ruble into a new ruble. This should be done in such a way as to limit the amounts that can be exchanged by any one individual, thus

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher JOHN VINOCCO, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor ROBERT J. DONAHUE, Editor of the Editorial Pages • REGINALD DALE, Economic and Financial Editor

1942: Everybody Knew LONDON — [From our New York edition:] Every man in General Sir Bernard L. Montgomery's British 8th Army was informed of the plans for routing the Axis at Alamein before the battle began and consequently was confident of victory, a British officer (Dec. 23) said. He said he believed it was the first time the personnel of any army had been told the complete intentions of their commander. The officer said Montgomery detailed his plans and ordered that the information be relayed throughout the army.

OPINION

Clinton Should Tell Arabs To Call Off the Holy Hate

By A. M. Rosenthal

NEW YORK — Across the Middle East, Arab states are profoundly moved by the kind of Muslim militant fundamentalists deported by Israel. They are moved to fear and loathing. If they had the self-confidence, these Arab states would round up their own fundamentalists. They would not only deport them but introduce them to those other common instruments of Middle Eastern law enforcement — torture and execution.

ON MY MIND

the militants of Palestinian Hamas, most Arab states would now like to see them and their Middle Eastern comrades in hell. These governments understand that they are on the Holy Warriors' list for destruction. They blame Iran and Sudan for financing and arming the fundamentalist commandos in various Arab states, using Lebanon as a launch pad. Without Syrian agreement, that could not happen.

Certainly, but the armed fundamentalism that now terrifies them was created by the Arab governments, almost all of them. Their nature of government created the condition for revolt — tyranny and exploitation of the people. In the name of Islam, fundamentalists seized the opportunity for revolution.

But the Arab states themselves had fired and kept refueling the Holy War against Israel, the emotional missile that carried the militants' power. In 1948, they rejected the UN partition that would have given Palestinians a homeland. They led war after war to exterminate Israel.

ask that Arabs first give up Holy War. Holy Wars, Holy Embargo, Holy Laws against Unholy Jews, the weapons that have made peace impossible. Sometimes even Israelis wearily accept the unacceptable as unchangeable.

Yitzhak Rabin and the Labor coalition seized what they saw as the opportunity for peace. But they made a mistake. They did not insist that the world understand the risks. Iran is building nuclear capacity. Saddam Hussein grows in power. Syria scours the missile market. Sudan and Libya hunt for terrorist targets. And throughout the Middle East, burgeoning militant movements like Hamas do not fight for this mile or that hill. They fight, as the Hamas covenant puts it, to "obliterate" Israel. Yes, obliterate, if it takes the last Jew.

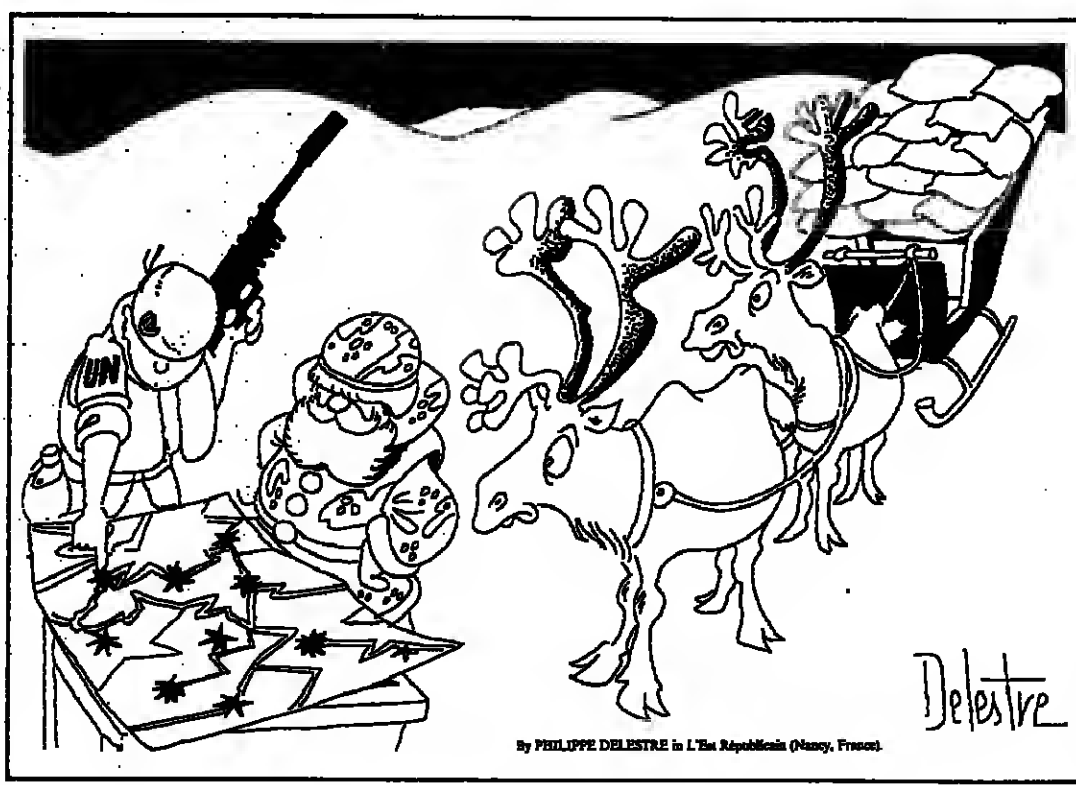
Mr. Rabin did not prepare the world for the necessity of his decision to decapitate Hamas, through 1,600 arrests including 415 deportations. He did not make sure that the Hamas members could in fact physically be deported if Lebanon did not accept them. He is a brave leader, but sometimes he shares with his predecessor a talent for putting himself and Israel in the worst posture possible.

Labor leftists now propose building up the Palestine Liberation Organization, which itself was created in a covenant sworn to Israel's destruction. But as long as Holy War against Israel is accepted as virtue in Islam, by definition there can be no peace between Arab and Jew except a pause between wars.

Accepting this reality need not mean the end of peace efforts. It could be the first beginning. Bill Clinton could be the first president to speak truth and plain truth about the Middle East. He could be the president to say that for peace, Arab governments must first call off Holy Hate totally and publicly. They must tell their people that Israel is equal in rights and permanence to any Middle Eastern state — now, not some maybe tomorrow.

If the Clinton administration speaks and pursues this truth, there can be peace between the armies of Arab and Israeli, and their souls.

The New York Times



By PHILIPPE DELESTRE in L'Espresso (Italy), 1992

LETTERS TO THE EDITOR

Democracy and Peace

In the Middle East, all parties perceive themselves as victimized. Israelis and Arabs have justifiable claims, and it is not conducive to peace to lay the blame exclusively on one side or the other. A better understanding of the profound problems, often exacerbated by distorted perceptions, is still vital.

Without the democratization of the Arab world, however, no radically changed image of the Israelis will ever be created. Arab peoples will always be vulnerable to demagogic propaganda and, consequently, never open to new perceptions.

The argument for the democratization of the Arab world is not a deviation from the peace issue. Given the wealth of the Arab world, and the special bonds between its nations, democracy will improve Arab peoples' lives. This will undoubtedly undermine fundamentalism. Some have argued that attempts at

democratization in the Arab world have not been successful, and have therefore questioned why it would not be possible to make peace with authoritarian Arab regimes. The pitfalls of this argument are manifold.

The fickleness of these regimes has long been recognized. Additionally, if they cannot give peace to their own peoples, how can they be expected to bring peace to the region? Moreover, the vested question of how truly these regimes represent Arab peoples has still to be addressed. So has the question of whether posterity will uphold the "commitments" of authoritarian regimes.

The freedom of the Arab peoples within democratic societies is the pathway for a comprehensive settlement in the region. Only through their enlightened choice and commitment can genuine peace have a chance.

L'UAYY M. RIMAWI, London.

The EC Free Market

In response to "Smaller Is Better for Britain" (Business/Finance, Dec. 9):

This report states that there is doubt whether Britain "will still be in charge of competition policy in the new [EC] Commission which takes power next year" because Sir Leon Brittan, the European Community's competition commissioner, "is known to want to get his hands on the external-trade job and could relinquish competition if he gets his way."

In some quarters, there is a hope that Sir Leon will relinquish his current job. Although many EC nations, notably Britain, have strong free market histories, other member states have deeply rooted traditions both of heavy state economic intervention and deeply entrenched private-sector capital combinations. The totally open, free marketplace is not going to be a European reality in the immediate future.

Transition in the Lavatory: How to Make a Clean Start

By Hunter Kome

RALEIGH, North Carolina — Of course it is crucial to the survival of nations that power change hands smoothly. So you will be pleased to hear that in North Carolina a legislative committee was having a furious debate the other day over the use of paper towels in state lavatories.

The foes of overregulation were defending the ramparts of liberty, pushing back the forces that would make state

MEANWHILE

employees and visitors alike dry their hands on nothing but cloth towels.

Not satisfied to wait timidly for public opinion polls or word from the governor or president, this committee was hard at work, carrying on the vital cloth vs. paper towel debate.

"I despise those cloth towels," a legislator thundered in a stormy moment.

The panel covered all the nuances, even tackling the tricky question of hot-air dryers. Finally, it decided 100 percent recycled and recyclable paper towels provide a needed market for recycled paper and that cloth towels jam, fall off their rollers, get soaking wet and are at best unpleasant and at worst a serious enough nuisance to provoke the use of firearms.

Not content to rest there, the committee moved on to the equally treacherous subject of garbage trucks. The waste disposal lobby was asking for a law to allow garbage truck drivers to park their rigs anywhere they darn well please on the state's roads. This matter became of crucial importance recently, it seems, because a police officer had given a ticket to a garbage truck driver for parking on the road while he picked up a load of trash.

Since the tale about the parking ticket came from the garbage lobbyist it might be a bit suspect. And no one asked if the driver had perhaps left the truck parked in the middle of the road for several hours while he, say, played a round of golf.

Some committee members said they could support a bill on the matter if it restricted the trucks to the right-hand side of the road. Others suggested it might not be such a good idea for the state to give carte blanche to garbage truck drivers to create traffic jams, around-the-curve, over-the-hill hazards and mayhem in general. The ignoble garbage truck, the committee agreed, should not have quite the same rights as a school bus.

This particular panel, known affectionately as the solid waste committee, is just one of dozens hard at work during these weeks of transition. It considered about 20 proposals in one day to protect the environment and reduce waste, almost all of which would increase state spending, raise taxes or increase the cost of goods and services. And that's just one committee. So never fear, North Carolina has survived the election. With any luck, so has our sense of humor.

The writer is chief of the Raleigh Bureau of the New York Times Regional Newspapers.

Table with multiple columns listing various international funds, their performance metrics, and other financial data. The table is organized into sections like 'INTERNATIONAL FUNDS' and 'Other Funds'. It includes fund names, asset values, and performance percentages. The table is very dense and contains a large amount of data.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

NYSE

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

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Oracle	60.00	58.00	62.00	55.00
Sun	40.00	38.00	42.00	35.00
HP	30.00	28.00	32.00	25.00
Motorola	20.00	18.00	22.00	15.00
Intel	15.00	14.00	16.00	13.00
AMD	10.00	9.00	11.00	8.00
ATI	8.00	7.00	9.00	6.00
Nvidia	6.00	5.00	7.00	4.00
3Com	5.00	4.00	6.00	3.00
Linksys	4.00	3.00	5.00	2.00
Netgear	3.00	2.00	4.00	1.00
TP-Link	2.00	1.00	3.00	0.50
ASUS	1.50	1.00	2.00	0.50
Dell	1.00	0.50	1.50	0.20
HP	0.80	0.40	1.20	0.10
Lenovo	0.60	0.30	0.90	0.05
Acer	0.50	0.20	0.80	0.05
Samsung	0.40	0.10	0.70	0.05
LG	0.30	0.05	0.60	0.05
Philips	0.20	0.05	0.50	0.05
Sony	0.10	0.05	0.40	0.05
Panasonic	0.05	0.05	0.30	0.05
Sharp	0.05	0.05	0.20	0.05
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Brother	0.05	0.05	0.05	0.05
Epson	0.05	0.05	0.05	0.05
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Mazda	0.05	0.05	0.05	0.05
Subaru	0.05	0.05	0.05	0.05
Mitsubishi	0.05	0.05	0.05	0.05
Infiniti	0.05	0.05	0.05	0.05
Lexus	0.05	0.05	0.05	0.05
Audi	0.05	0.05	0.05	0.05
Volkswagen	0.05	0.05	0.05	0.05
Ford	0.05	0.05	0.05	0.05
Chrysler	0.05	0.05	0.05	0.05
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Volvo	0.05	0.05	0.05	0.05
Peugeot	0.05	0.05	0.05	0.05
Citroen	0.05	0.05	0.05	0.05
Fiat	0.05	0.05	0.05	0.05
Alfa Romeo	0.05	0.05	0.05	0.05
Lamborghini	0.05	0.05	0.05	0.05
Ferrari	0.05	0.05	0.05	0.05
Porsche	0.05	0.05	0.05	0.05
Bentley	0.05	0.05	0.05	0.05
Rolls-Royce	0.05	0.05	0.05	0.05
Aston Martin	0.05	0.05	0.05	0.05
McLaren	0.05	0.05	0.05	0.05
Ford	0.05	0.05	0.05	0.05
Chrysler	0.05	0.05	0.05	0.05
Jeep	0.05	0.05	0.05	0.05
Dodge	0.05	0.05	0.05	0.05
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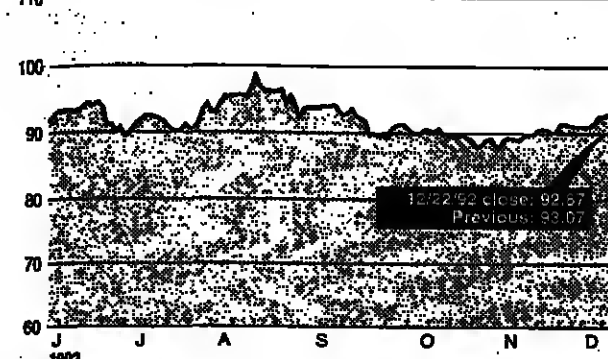
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Samsung	0.40	0.10		



THE TRIB INDEX: 92.87

International Herald Tribune World Stock Index composed of 230 internationally investable stocks from 20 countries...



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia...

Table with 3 columns: Asia/Pacific, Europe, N. America. Shows index values and percentage changes.

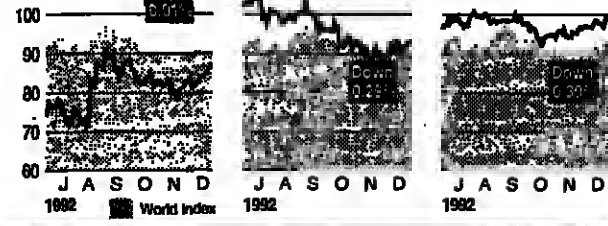


Table titled 'Industrial Sectors' with columns for Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, and Miscellaneous.

Those Generous Tax Cuts Weren't

By Richard W. Stevenson

New York Times Service

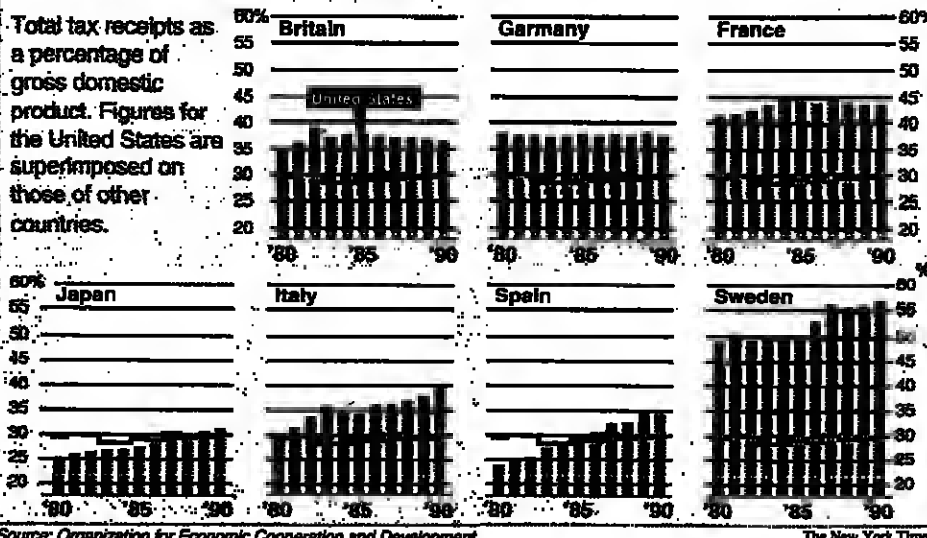
LONDON — When Margaret Thatcher became prime minister in 1979, the top personal income tax rate was 53 percent...

But reductions for people in the middle-income brackets were considerably less, and for all taxpayers, loopholes were tightened or eliminated...

The result: a continued increase in overall taxation even during the heyday of a tax-cutter as fervent as Mrs. Thatcher.

As the world's other major industrial democracies have struggled to find tax policies that balance deficit reduction, economic stimulus, pork-barrel politics and social-welfare concerns...

America the Tax Haven



Source: Organization for Economic Cooperation and Development

Leape said, the amount of taxes people pay has not changed much. In some cases, it has actually increased.

In most countries, public resistance to higher or new taxes has been relatively muted, particularly in comparison with the United States, where the political sensitivity to raising taxes in any form has remained extremely high.

of consumption taxes such as a value-added tax or levies on specific products like gasoline...

Economists say the rising tax burden in many nations has helped rein in deficits over the last decade.

fluent taxpayers — economists said the incoming administration of President-elect Bill Clinton might have no choice but to consider them if it was serious about reducing the deficit.

"There is hardly any way Clinton can achieve his targets for deficit reduction unless he goes with a VAT or a broad-based energy tax," said Gary Hafbauer, a senior fellow at the Institute for International Economics in Washington.

Japan Executives Talk Tough on Trade

By David E. Sanger

New York Times Service

TOKYO — In a blunt warning to President-elect Bill Clinton of the United States, a panel of Japanese business leaders urged Tuesday that Japan adopt "necessary and appropriate emergency response measures" to deter unilateral U.S. actions to resolve trade disputes.

In a report commissioned by Japan's foreign minister, the business leaders did not describe the measures they had in mind. But they were widely interpreted as calling for laws that would enable Japan to place high tariffs on, or block entry of U.S. or European goods to retaliate for similar actions against Japanese exports.

The findings were released at a time when Japanese officials and business executives are critical of the newly signed North American Free Trade Agreement and concerned Mr. Clinton would use tax and trade laws to impede Japanese companies operating in the United States.

transition in 1988, they were not talking this way. It is an effort to lay out early what the issues are going to be.

The report offered specific proposals, including the creation of a dispute-resolution panel that would "solve specific trade and economic issues in a more objective and fair manner."

Clearly the most controversial step advocated was adoption of emergency powers to enable Japan to fight back if, for example, the United States used the so-called Super 301 provision of the Omnibus Trade Act of 1988.

into the European Monetary System's exchange-rate mechanism. The mark rose to 895 lire in late Milan trading, from 887 Monday.

leaders said "while the process has been referred to as a working two-way approach, in fact it has been quite one-way."

The survey of economic relations was dominated by direct, unabashed defenses of many Japanese economic practices. For example, discussing the tight relationships between Japanese corporate groups, called keiretsu, the report suggested the United States had failed to learn key lessons about the merits of doing business the Japanese way.

Though no government officials served on the panel, it was headed by Yoshio Okawara, a former ambassador to the United States and advisor to the Keidanren, Japan's most powerful business group. Its members included several of Japan's most politically influential business figures, including Koichiro Ejiri, chairman of Mitsubishi Corp.; Akio Morita, chairman of Sony Corp. and executives of other companies.

George Pilla, an analyst at IDEA Ltd. in London, said the aggressive move was a sign the Bank of Italy's priority was to ward off recession: "They are going into a recession in Italy and they need to cut rates. It's as simple as that."

Italian Easing Sets a Rate-Cut Mood for Europe

Compiled by Our Staff From Dispatches

MILAN — The Bank of Italy surprised investors with an aggressive interest-rate cut on Tuesday, and European stock markets bounded higher on hopes that a German easing was on the horizon.

The Bank of Italy cut its discount rate to 12 percent from 13 percent and lowered its Lombard rate on fixed-term advances to 13 percent from 14 percent. A half-point cut in the Lombard rate had been expected, but the larger reduction and the one-point trimming of the discount rate went beyond the predictions.

Announcing the cut, the Bank of Italy made clear the slowing of European economies and the threat that posed to jobs was one of the factors making the easing necessary: "The most recent economic data confirm the deepening of the recessionary phenomenon which is investing all European countries. Un-

employment is on the increase, and forecasts for demand remain weak."

The central bank acted after parliamentary passage of a deficit-cutting budget for 1993.

Analysts said the rate cut meant the government would be looking after the economy in 1993 and not worrying about getting the lira back to the dollar rate on the outlook for European rate cuts. Page 12.

which measures values in dollar terms, slipped 0.43 percent to 92.62.

Among the major stock markets, Paris had the best gain, with the CAC-40 index rising 2.13 percent, to 1,824.37. Analysts said there was a growing conviction that French interest rates, which have been kept high to protect the franc's value against the mark, would be reduced, either through a French devaluation or a German easing.

In London, the Financial Times-Stock Exchange 100-share index quickly eclipsed Monday's record close with a gain of 34.3 points, to 2,842.0 points. Improving economic prospects were behind the advance.

(Bloomberg, Reuters)

Now It's Official: U.S. Has Grown Out of Recession

By Robert D. Hershey Jr.

New York Times Service

WASHINGTON — The ninth postwar recession in the United States ended in March 1991, even earlier than the Bush administration and most private economists had thought, the committee of academics that officially dates business cycles determined Tuesday.

The National Bureau of Economic Research acted after examining the Commerce Department's final estimate of gross domestic product for the July-September quarter, now seen as climbing at a 3.4 percent annual pace. This meant that output of goods and services within American borders had regained its levels before the recession, which began in July 1990.

While GDP is only one of several factors governing the designation of economic expansions and contractions, the bureau's seven-man business-cycle committee did not want to formally call the recession over until it was certain this summer's rise would stick.

The Department first estimated in late October that third-quarter GDP had advanced at a 2.7 percent pace, stronger than had been expected. This gain was revised upward to 3.9 percent last month before being recalculated again Tuesday to 3.4 percent, still the best showing in almost four years.

The biggest factor in the latest revision was smaller additions to nonfarm inventories — a \$3.6 billion rate of increase instead of the \$8.8 billion estimated in November.

This was considered a somewhat favorable development since it means that fresh demand for goods will more quickly translate into the need for new production.

Separately, the Commerce Department also reported Tuesday that American businesses planned to increase spending on new plant and equipment by 5.3 percent in 1993, compared with a 3.6 percent increase this year.

Since prices are expected to decline for these goods, plant and equipment spending in inflation-adjusted terms would be 7.6 percent, up from 5.4 percent this year and the best performance, if achieved, since 1989.

As a whole, Tuesday's figures were taken as additional evidence that recovery has now conclusively become expansion, albeit one that remains less vigorous than is typical, particularly in the creation of jobs.

"It is very clear the economy is up a notch" since midyear, said Bernard M. Markstein 3d, senior economist for Meridian Bancorp in Reading, Pennsylvania. "This is definitely the expansion path we've been talking about."

The GDP report produced no significant surprises, analysts said, though the National Bureau of Economic Research's decision to formally pinpoint March as the end of the recession, a footnote to economic history, did raise some eyebrows. Most analysts have been assuming the pick would be either April or May.

The committee's decision meant that the recession lasted just eight months and that it was confined to the three quarters during which there was a fall in gross national product, the national economic measure then in use. These were the summer and fall of 1990 and the January-March quarter that followed.

Since then, the U.S. economy has posted seven straight quarters, including the one ending next week, of generally subpar growth.

However, economists generally dismissed the notion that a pre-election determination of an official end to the recession would have made any significant impact on President George Bush's chance of winning.

"I don't think estimates of the economy do anything to make people change their votes," said R. David Ranson, president of H.C. Wainwright & Co. Economics in Boston. The real problem, he added, was that "Bush produced no jobs."

The GDP report on Tuesday showed that in addition to the smaller inventory increase, there was a \$2.9 billion downward revision in net exports, partly offset by increases of \$1.6 billion in business fixed investment and of \$1.1 billion in federal purchases.

U.K. Says Mines Will Be Closed

Reuters

LONDON — The government refused Tuesday to reopen 10 coal mines despite a High Court ruling that ministers had acted illegally in earmarking the pits for closure.

Lawyers and opposition politicians argued that Trade and Industry Secretary Michael Heseltine was in danger of losing his job in contempt of court.

"It is a total disgrace that this government can carry on acting unlawfully and appearing on television and giving the impression they are going to abide by the law," said Dennis Skinner, Labor Party member of parliament.

But Mr. Heseltine said in a radio interview that the court ruling did not mean miners could return to work at the 10 pits, which are slated to be closed after a 90-day review.

"What the court was concerned about was the independence of the consultation process that is under way," he said.

MEDIA MARKETS

TV Ads Boom in Russia But Viewers Don't Get It

By Stephanie Simon

Los Angeles Times Service

MOSCOW — A sleek gray car — nothing like the clunky Ladas most Russians drive — glides along a gently curving road. As the car passes a misty forest, a St. Bernard barks up to greet it. A solemn voice intones, "When the fog dissolves..." and then a name flashes on the television screen: "Inkoros."

"Huh? A dog and a car? When the fog dissolves?" Inkoros? What's all this supposed to mean?

Apparently, not much. After all, it's only a commercial — Russian-style.

Long denounced by the Great Soviet Encyclopedia as "a means of swindling the people" and "a social weapon of the exploiters' class," advertising has arrived in capitalist Russia as a vital business tool. And television is the hottest forum.

But to Western eyes, the 30-second spots that flash on Russian TV look bizarre. No jerky housewives, no squeaky soft toilet paper. In fact, viewers often can't even tell what's being sold.

Instead of peddling consumer goods, most TV spots here promote businesses themselves, from stock exchanges to radiator factories, mini-breweries and holding companies. In Western ad lingo, the goal here is shaping the corporate image — getting a company's name known — rather than "product recognition."

"Much of Russian advertising is ego-driven," said Bruce Macdonald, director of operations in the former Soviet Union for BBDO Marketing. "What are these stock exchanges and commodities markets doing on television? Are they trying to attract new customers? To get a competitive edge? If so, you wouldn't know it from their ads — it seems they just want to get their names, addresses and phone numbers on the screen."

Inkoros, the company Russian viewers now associate with a gray car and a St. Bernard, is an example. Its spot gives no hint that Inkoros offers financial services and no tips on how to get in touch with it — a problem in a country with no telephone directories.

Although ads like this are oblique, they may be good enough for Russian companies. For example, unlike American banks, which

CURRENCY & INTEREST RATES

Large table containing currency exchange rates and interest rates for various countries and currencies as of Dec 22.

NGL Recovery Project - Nigeria

Nigerian National Petroleum Corporation (NNPC) and Mobil Producing Nigeria are planning the construction of a Natural Gas Liquid (NGL) Facility at Bonny, River States, Nigeria. This will include an onshore process plant, offshore structures, marine/land pipelines and River Product Terminal.

Bellsouth advertisement featuring a logo and text: 'The Bellsouth family of companies provides telecommunications equipment and services, information services, mobile communications, computer maintenance services and advertising services through South Central Bell, Southern Bell, Bellsouth Products, Bellsouth Telecommunications and Bellsouth Enterprises.'

MARKET DIARY

Blue-Chips Boosted By IBM and Bonds

Compiled by Our Staff From Dispatches NEW YORK — A sharp rise in bond prices and a recovery to IBM helped blue-chip stocks to a modest gain Tuesday, despite weakness in the broader market.

The Dow Jones industrial average rose 8.64 points, to 3,321.10. But the over-the-counter market slid, with IBM followed, up 3 to 51%.

The Nasdaq index down 1.62 points, to 660.84, and the New York Stock Exchange index edged 0.04 of a point, to 241.68.

Hopes on German Rates Spark a Rally in Dollar

NEW YORK — The dollar jumped 2 pfennig on Tuesday on renewed optimism about a decline in German interest rates next year.

The dollar began rising after the Bundesbank president, Helmut Schlesinger, said he expected Western German inflation to fall to near a 3 percent rate next year.

Any narrowing of the Deutsche mark's more than 5-point interest rate premium over the dollar would be expected to boost the dollar.

The dollar rose to 5.4220 French francs from 5.3610. The franc stayed in the 3.41-3.42 range against the mark.

The dollar rose to 14405 Swiss francs from 14135. The franc was weakened by comments from the president of the Swiss National Bank, Markus Lusser, who said

to have the Christmas that retail analysts are betting on. The bellwether 30-year Treasury bond, which jumped 15/32 Monday, added 2/32, rising to 103 16/32.

Tucson Electric & Power paced the New York Stock Exchange activity, easing 1/4 to 2%.

IBM followed, up 3 to 51%. "As we near the end of the year, portfolio managers are looking for stocks that have been depressed," said Ricky Harrington at Marion Securities.

Sears jumped 1 1/4 to 44% on reports it planned to close 100 small stores, eliminating up to 5,000 jobs.

In active over-the-counter trading, Sun Microsystems eased 3/4 to 3 1/4 following a block trade of 1.9 million shares.

A downward revision in U.S. third-quarter growth had little impact as the drop reflected reduced inventory accumulation while final sales growth remained strong.

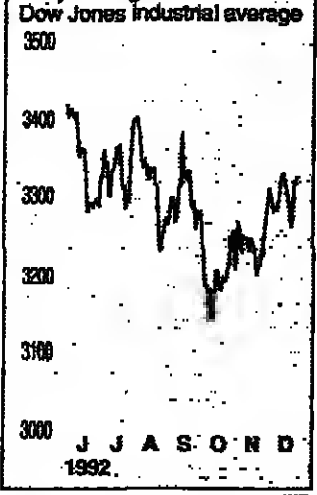
The pound slid, although a widening of Britain's trade deficit was out of sight as bad as many analysts had feared.

The pound dropped to 2.4407 DM from 2.4445 Monday, and to \$1.5365 from \$1.5585.

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The Dow



Daily closings of the Dow Jones Industrial average 300

Dow Jones Averages

Table with columns: Index, High, Low, Last, Change. Includes Industrial, Trans, and Composite.

Standard & Poor's Indexes

Table with columns: Index, High, Low, Last, Change. Includes Industrials, Utilities, and Finance.

NYSE Indexes

Table with columns: Index, High, Low, Last, Change. Includes Composite, Industrials, and Finance.

NASDAQ Indexes

Table with columns: Index, High, Low, Last, Change. Includes Composite, Industrials, and Finance.

NYSE Most Actives

Table listing top trading volumes on the NYSE, including IBM, Sears, and Sun Microsystems.

AMEX Most Actives

Table listing top trading volumes on the AMEX.

NYSE Diary

Table listing NYSE trading activity by sector, including advanced and declined issues.

NASDAQ Diary

Table listing NASDAQ trading activity by sector, including advanced and declined issues.

EUROPEAN FUTURES

Table showing European futures prices for various commodities like sugar and cocoa.

Food

Table showing food futures prices for items like wheat, corn, and soybeans.

Metals

Table showing metal futures prices for commodities like aluminum and copper.

Stock Indexes

Table showing stock index futures prices for various regional and global indices.

Dividends

Table listing dividend-paying stocks and their respective dividend amounts.

Financial

Table showing financial futures prices for instruments like Treasury bills and bonds.

U.S. FUTURES

Table showing U.S. futures prices for commodities like wheat and corn.

Grains

Table showing grain futures prices for various types of wheat and corn.

Metals

Table showing metal futures prices for commodities like copper and nickel.

SOYBEAN MEAL

Table showing soybean meal futures prices.

SOYBEAN OIL

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Sears Is Expected to Shut 100 Stores

CHICAGO (Combined Dispatches) — Sears, Roebuck & Co. plans to close as many as 125 smaller stores and cut as many as 5,000 jobs in a dramatic effort to revive its retail division, analysts said Tuesday.

Sears declined to confirm or deny speculation of possible cutbacks, which followed a report to the Chicago Tribune. The newspaper said Sears would announce the moves next month.

Sears has fallen behind Wal-Mart Stores Inc. and Kmart Corp. among large U.S. retailers in recent years and posted an \$833.7 million loss in the third quarter because of insurance losses. The company has cut more than 48,000 jobs since 1990 but has not closed any stores.

Walter Loeb, a retail analyst in New York, said he expected Sears would take a charge of as much as \$1 billion in the fourth quarter to cover the costs of the cutbacks.

Berlitz Nears Purchase by Fukutake

PRINCETON, N.J. (Bloomberg) — Berlitz International Inc. on Tuesday moved closer to cutting its ties to the bankrupt empire of the late Robert Maxwell and being purchased by Fukutake Publishing Co.

Berlitz, in an agreement with MacMillan Inc. and its parent, Maxwell Communication Corp., promised to slash claims on \$129 million to Maxwell notes it holds and return a \$64.6 million MacMillan promissory note, Berlitz said.

MacMillan, which once controlled Berlitz, agreed to return its Berlitz preferred stock with a redemption value of \$180 million. Maxwell Communication will elevate Berlitz's claims in its bankruptcy proceedings.

If approved by courts overseeing Maxwell Communication's bankruptcy cases in London and New York, Fukutake's offer of \$19.50 a share for Berlitz will be put in a vote by Berlitz shareholders in January, the company said. Berlitz shares rose 12.5 cents at \$22 on the New York Stock Exchange.

Chrysler Sees Gains in Market Share

HIGHLAND PARK, Michigan (AFP) — Chrysler Corp. said Tuesday it expected North American car and truck sales to climb by 5 percent in 1993, to 15 million, and predicted its share of the market would grow.

"You can just about take 15 million to the bank," said Robert Eaton, the company's chairman-designate. "And if we're lucky, we might see enough improvement next year to approach 15.5 million units."

Mr. Eaton said he expected Chrysler's market share to improve because of its minivans, its new Jeep Grand Cherokee and increased production of its new LH line of cars. Chrysler said it had 13.3 percent of the North American car and truck market through Nov. 30, compared with 12.4 percent in the first 11 months of 1991.

Digital Sets Up 9 Operating Units

BOSTON (AP) — Digital Equipment Corp., criticized for moving too slowly in the fast-changing computer industry, divided itself Tuesday into nine operating units designed to react more swiftly.

Digital said five of the units would target certain industry groupings, such as health care, defense, financial services and communications. It also created four other units focused on certain products and services: personal computers, peripheral components such as printers, storage systems and maintenance.

The new units will be held accountable for making money as they determine what products and services their customers want and what strategies are needed.

For the Record

Unocal Corp. said it had agreed to sell 80 percent of its British offshore oil exploration interests. Unocal U.K. Ltd., to Amerada Hess Ltd. as part of its efforts to reduce debt. Terms were not disclosed.

U.S. corporate profits will rise with the economy next year, with earnings per share at companies in the Standard & Poor's 500 index likely to grow 25 to 30 percent in 1993 after rising about 30 percent this year, S&P said.

WORLD STOCK MARKETS

Table showing world stock market indices for various countries including Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Paris, Sao Paulo, Singapore, Stockholm, Toronto, Zurich, and others.

Paris Approves Dassault Fighter Production

PARIS — Defense Minister Pierre Joxe gave approval Tuesday for production of Dassault Aviation SA's Rafale jet fighter, which is to be used by the French Navy and Air Force by the end of the decade, a ministry spokesman said.

The navy is scheduled to have 86 planes operational by 1998, and the air force will have 234 by the year 2000. The initial order from the government may convince other countries to order the plane, defense analysts have said.

The cost of the development and production of the plane is estimated at 155 billion French francs (\$28.97 billion) in 1990 francs, the ministry spokesman said.

The approval had been expected, but it still represents a boost for the French defense industry, which has been facing diminishing military spending around the world. Matra SA will make much of the weaponry.

The state-owned Suezma will provide the engines and Thomson-CSF, which also is state controlled, is the subcontractor for the plane's radar.

The plane has a top speed of approximately 2,300 kilometers (1,430 miles) per hour.

U.S. FUTURES

Table showing U.S. futures prices for various commodities like wheat, corn, soybeans, metals, and oil.

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EUROPE

A German Takeover Boom?

AFP-Exel News

FRANKFURT — German companies will face more frequent and persistent hostile takeover bids in the European Community's single market that takes effect in January, experts on Germany company law predict.

The lifting of barriers on capital movements is likely to accelerate foreign bids while pressures increase on German companies to ease defensive measures, the analysts said.

Despite the widespread belief that unfriendly takeovers do not work in Germany, a hostile bidder can be successful under current conditions, but only if it can obtain a controlling majority of shares quickly, they said.

Recent examples of foreign companies seeking to gain control by slowly building up their holdings show this method does not work, the experts said.

"German capital markets, although underdeveloped as compared to the British or U.S. markets, are not shielded against foreign takeovers through irrevocable legal and structural barriers," said Hans-Joachim Otto, a corporate lawyer at the Stuttgart-based firm Thümmel, Schütze & Partner.

This means that as Germany moves into the EC single market, hostile bids for German companies by domestic and foreign competitors will become more frequent, he said. So will the pressure by shareholders on managers to lift obstructions against unwanted suitors and add value to their shares.

Last week, Christian Strenger, head of DWS, Deutsche Bank's

fund-management division, called for an overhaul of Germany's corporate takeover rules, saying that shareholders in German companies were disadvantaged.

At the annual meeting this month of RWE AG, the electric utility, a group of domestic and foreign shareholders challenged as discriminatory a corporate statute that creates a class of shares with multiple voting rights.

Such moves are becoming more common in Germany as

Under the EC single market, hostile bids for German firms will multiply.

foreign investors are looking for a foothold in Europe's largest economy.

Examples are the recent acquisitions of large stakes in the German insurers Nordstern Allgemeine Versicherungs AG and AMB AG by Union des Assurances de Paris and Assurances Générales de France.

Since buying a 25 percent stake plus one share in AMB late last year, AGF has been trying hard to get its voting rights recognized, and AMB shareholders will be asked Dec. 30 to approve a complex deal also involving Credit Lyonnais and BIC Bank that would allow such recognition.

The battle over AGF's stake in AMB shows that potential bidders in Germany must gain con-

trol of their targets as quickly as possible, analysts said.

Nicolaus-Jürgen Weickart, a Frankfurt-based expert on corporate mergers, said any investor wanting to gain control of a German company "should do it the American way, which means aiming for a clear, undisputed controlling majority of the takeover target."

"Any other approach is bound to fail," he said.

As illustrations, Sweden's Stora AB gathered more than 85 percent of Feldmühle Nobel AG in its successful takeover. John Deere purchased more than 75 percent of Sabo Maschinenfabrik AG and Fried. Krupp GmbH started out by buying more than two-thirds of Hoechst AG when beginning its takeover late last year.

Other would-be acquirers failed to gain a majority stake of targets quickly because they did not follow an unequivocal takeover policy, analysts said.

Mr. Weickart said foreign bidders often wasted their time and money as they tried to strike clandestine arrangements instead of going the open, legal way.

This is because foreigners are too afraid of Germany's notorious "corporate elubriousness," which usually brings together a company with its creditor bank and its suppliers, he said.

Mr. Otto at Thümmel, Schütze & Partner said fear of collusion between shareholders could itself become a barrier to a takeover. "There's clearly a risk that a wrong perception of the facts could become a takeover barrier, perhaps even the most effective," he said.

Britain's Trade Gap Saps Growth Hopes

Reuters

LONDON — Britain's trade position remained deep in the red in November, provoking concern about the economy's underlying potential.

The deficit on the current account, the broadest measure of trade in goods and services, widened to £1.19 billion (\$1.86 billion), from £955 million in October, the Central Statistical Office reported Tuesday. It was the biggest gap in seven months.

Independent economists said the figures suggested that Britain, which has suffered a contraction of its manufacturing base in recent decades, may be stuck with a long-term trade problem that could limit future growth.

"The underlying trade problem has already limited Britain's growth potential in the past year and will do so in the future," said Kevin Gardiner, economist at Warburg Securities.

Economists were particularly disappointed by the merchandise trade deficit excluding oil and energy items, which is considered a barometer of the underlying trend.

The deficit on that basis widened to £1.63 billion in November from £1.43 billion in October.

Britain's propensity to import far more than it exports has effectively stopped the economy recovering this year. Official figures on

Monday showed consumer expenditure rose over the year to the third quarter, but the economy's output remained weak because imports soaked up the extra demand.

"The trade picture is very worrying," Mr. Gardiner said. "We have never seen import penetration pick up so quickly at this stage of the economic cycle."

Britain lost one-fifth of its manufacturing capacity in the 1980-81 recession, and the country's industrial muscle has been further weakened by the current downturn.

Many economists fear the economy may not be able to sustain a long-term growth rate of around 2.5 percent when recovery emerges because imports would soar.

Some economists said the pound's 13 percent fall against major currencies since it left the European Community's exchange-rate grid on Sept. 16 had given British companies a golden opportunity to undercut overseas rivals.

"By the middle of next year we should begin to see a healthier current account" as the benefits of devaluation come through, said Neil Williams, senior economist at Daiwa Europe.

But others said any devaluation benefits would be modest at a time when demand in Continental Europe, which accounts for 57 percent of British exports, is falling fast.

EC Clears Fiat-Hitachi Venture

Compiled by Our Staff From Dispatches

BRUSSELS — The EC Commission on Tuesday cleared Fiat SpA and Japan's Hitachi Ltd. to proceed with a joint venture to make and market hydraulic earth movers.

The European Community's executive body decided the joint-venture did not infringe Community competition rules after Fiat and Hitachi altered their agreement to allow customers to purchase competing Hitachi equipment in Europe and Africa.

The joint venture will take over sales of Fiat's existing line of heavy diggers and also will include new, jointly produced models using Hitachi technology and Fiat engines.

Under the original terms of their accord, Hitachi and Fiat agreed not to compete with their jointly produced diggers in Western Europe, the Mediterranean and Africa.

But the commission said the two sides had changed the deal to allow Hitachi to engage in passive sales of hydraulic diggers in those markets. That means Hitachi can accept orders from customers for its own diggers but will not actively market them.

The commission also said it ordered Ford Motor Co.'s tractor subsidiary, Ford New Holland, to change agreements with its dealers after an investigation found breaches of EC antitrust rules.

Agreements between Ford and its dealers must no longer limit imports between EC countries, and must tell customers they are free to buy Ford products anywhere in the Community, the commission said.

Separately, the commission said it had cleared PepsiCo to acquire the Spanish soft-drink bottling and distribution companies Kas SA and Knorr Eborza SA from Banco Bilbao Vizcaya. PepsiCo's market share in carbonated soft drinks in Spain and Portugal will remain below 25 percent. (AFX, AP)

GE, GEC Alstom Win Deal

Compiled by Our Staff From Dispatches

PARIS — General Electric Co. of the United States and GEC Alstom said Tuesday they had won a contract worth at least \$2 billion to provide electricity-producing turbines for Castle Peak Power Co. of Hong Kong.

The eight gas turbines for the Black Rock power plant were developed with General Electric's technology by European Gas Turbines, a subsidiary of GEC Alstom in which GE has a 10 percent stake.

GEC Alstom is owned by Alcatel Alstom of France and General Electric Co. of Britain, which is not related to General Electric of the United States. Castle Peak Power is 60 percent-owned by Exxon Corp., and the rest is held by China Light & Power Co. (Bloomberg, AFP)

TAXES: In Industrial Nations, Cuts Prove Illusory

(Continued from first finance page)

tions that are members of the Organization for Economic Cooperation and Development, total tax revenue as a percentage of gross domestic product increased from an average of 35.2 percent in 1980 to 38.8 percent in 1990, despite widespread cuts in top income-tax rates and some reductions in corporate rates.

In the United States, tax revenues as a percentage of GDP increased only to 29.9 percent in 1990 from 29.5 percent in 1980.

Germany had been cutting rates over the last decade, dropping the maximum rate on personal income to 50 percent from 53 percent in 1990. But the staggering costs of reunification with East Germany forced an increase last year in taxes on cigarettes and gasoline, among other goods and services, and a one-year "solidarity" tax — a 7.5 percent surcharge on gross personal income — that expired in July.

In Spain, taxes have been rising as the government scrambles under a tax-and-spend policy to modernize the country and bring its economy into line with the richer European Community nations.

Still, most nations have been generally guided by the notion that rates should be reduced, but that taxes should be levied more broadly and more fairly.

In France, the Socialist government has since 1983 pursued policies designed to favor investment, capital accumulation and personal income — counterbalanced by high taxes on consumption. The approach was a radical about-face for the Socialists.

Since 1983, France has reduced top corporate tax rates to 34 percent from 52 percent. Capital-gains taxes are low by U.S. standards. Income taxes are progressive, with about half the population paying none at all, and the other half paying a marginal rate that rises to 57 percent for a single person with earnings of more than \$75,000.

The Socialist government has also imposed a special tax surcharge on the assets of wealthy individuals, the proceeds of the tax earmarked for redistribution as a "minimum revenue" of about \$400 a month for individuals without other means of support.

Within the European Commu-

nity, nations have had to adopt a value-added tax as part of the community's effort to create a single market and reduce the differences in their tax systems.

But value-added taxes have also become increasingly popular worldwide because they tax only consumption and not investment or savings — an approach that most economists say has long-term benefits for economic growth.

"There is a very strong contention among economists that consumption-based taxes make sense because they don't burden savings, and most countries would be better off if they had a high rate of savings and investment," said Mr. Hulbauer of the Institute for International Economics.

But consumption taxes are by no means without their problems. When Japan introduced a 3 percent value-added tax in 1989, it was accompanied by a reduction in the top personal income-tax rate from 60 percent to 50 percent, and by a reduction in the number of tax brackets from 12 to five. But the net effect has been an increased burden on most taxpayers.

ADS: Russian TV Has Plenty, but Message Isn't Clear

(Continued from first finance page)

use commercials to promote special services or premium interest rates. Russian banks need to focus first on convincing customers it is safe to stash money in a nongovernment institution.

What's more, as President Boris N. Yeltsin kicks off his mass privatization program, under which every Russian citizen will receive a voucher good for investment in former state-owned property, pushing company names has become especially important. Several large companies have begun trolling for investors with 30-second TV spots that tout their soundness.

The room is hot, sultry, bathed in golden sunlight. A bare-chested man leans over a worktable and sands a block of wood, his muscles rippling with every movement. At

the window, a delicate woman with long curly hair watches him. The wind tugs seductively at her robe. The last wood shavings curl onto the floor, and a word appears emblazoned in the table: "Suprimex."

"Those Suprimex ads are great," one Russian advertising executive said recently. He paused for a moment, then added tentatively, "As far as I know, Suprimex is a construction company."

Not exactly. Suprimex sells computers.

The handful of Russian commercials that do push consumer goods tend to target young business people hooked on conspicuous consumption.

"It's humiliating, because these ads have nothing to do with people's lives — they're just rich people on the TV screen talking to each other," said Maria Volkenstein, a

Russian sociologist who studies commercials.

Because they want to build commercials around lifestyles unavailable in Russia, some ad agencies stoop to piracy.

The CNN "Money Line" logo, IBM's Charlie Chaplin look-alike and the harried executives from AT&T spots all show up in Russian commercials. Even Pepsi-toting Michael Jackson was pirated into service by a company desperate to give its ads some American flair.

FIDELITY FRONTIER FUND
Société d'Investissement à Capital Variable
Kansallis Huuse, Place de l'Etoile
L-1021 Luxembourg

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the shareholders of FIDELITY FRONTIER FUND, a société d'investissement à capital variable organised under the laws of the Grand Duchy of Luxembourg (the "Fund"), will be held at the registered office of the Fund, Kansallis House, Place de l'Etoile, Luxembourg, at 11:00 a.m. on December 31, 1992, specifically, but without limitation, for the following purposes:

1. Presentation of the Report of the Board of Directors.
2. Presentation of the Report of the Auditor.
3. Approval of the balance sheet and income statement for the fiscal year ended August 31, 1992.
4. Discharge of the Board of Directors and the Auditor.
5. Election of six (6) Directors, specifically the re-election of Messrs. Edward C. Johnson 3d, Barry R. J. Bateman, Charles T. M. Collis, Charles A. Fraser, Jean Hamilius and H. F. van den Hoven, being all of the present Directors.
6. Election of the Auditor, specifically the election of Coopers & Lybrand, Luxembourg.
7. Declaration of a cash dividend in respect of the fiscal year ended August 31, 1992.
8. Consideration of such other business as may properly come before the meeting.

Approval of the above items of the agenda will require the affirmative vote of a majority of the shares present or represented at the Meeting with no minimum number of shares present or represented in order for a quorum to be present. Subject to the limitations imposed by the Articles of Incorporation of the Fund with regard to ownership of shares which constitute in the aggregate more than three percent (3%) of the outstanding shares, each share is entitled to one vote. A shareholder may act at any meeting by proxy.

Dated: November 13, 1992

BY ORDER OF THE BOARD OF DIRECTORS

Fidelity Investments

Europe's changing appearance may seem confusing.



We have the knowledge to help you unravel fact from fiction.

Step by step, a Europe free of frontiers appears on the horizon. But as the new single market takes shape it's apparent that this new entity will still be extremely heterogeneous.

As national customs barriers fall, in order to stay competitive, business will have to take account of the reality of the single market — the local customs which remain. Which is why, more than ever, it's critical to have a bank with a European perspective as your business partner. A bank like ABN AMRO Bank which can justifiably claim Europe as its domestic market.

Because for over 130 years, we've been familiar with Europe. Our policy of staying close to the customer, speaking his language and knowing his environment has led to our network of 1570 branches in 20 countries throughout the continent. A network which will continue to grow as our plans for expansion in several other European countries become manifest.

It's what you might expect of one of the world's top twenty banks with a sound financial base of US\$ 242.7 billion in assets and US\$ 9 billion in shareholders' equity.

ABN AMRO Bank is fully integrated into its various national markets providing us with an unequalled perspective of this heterogeneous continent, allowing us to distinguish fact from fiction, changing a hit and miss approach to a sure-fire strategy.

CREATING THE STANDARD IN BANKING.

ABN AMRO Bank

AMSTERDAM, ARRA, ARVIVAL, AUSTRIA, BANAR, BELGIUM, BRAN, BRITISH WEST MEXICO, CANADA, CHINA, DENMARK, FINLAND, FRANCE, GERMANY, GREECE, HONG KONG, HUNGARY, INDIA, INDONESIA, IRELAND, ISLE OF MAN, ITALY, JAPAN, KOREA, KUWAIT, LEBANON, LUXEMBOURG, MALAYSIA, MEXICO, NETHERLANDS, NETHERLANDS ANTILLES, NORWAY, POLAND, PORTUGAL, SAUDI ARABIA, SINGAPORE, SPAIN, SWITZERLAND, THAILAND, TURKEY, UNITED ARAB EMIRATES, UNITED STATES OF AMERICA, SWITZERLAND, VIETNAM, YEMEN, ZAMBIA, ZIMBABWE. BRANCHES IN THE NETHERLANDS. TELEPHONE: 01 20 20 20 20.

NASDAQ

Tuesday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	12 Month Low	Stock	Div	Yield	PE	100s	High	Low	Latest	Change
100	80	IBM	4.00	4.00	13.0	100	100	80	95	+15
100	80	Microsoft	0.00	0.00	15.0	100	100	80	95	+15
100	80	Oracle	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novartis	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15

12 Month High	12 Month Low	Stock	Div	Yield	PE	100s	High	Low	Latest	Change
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15

12 Month High	12 Month Low	Stock	Div	Yield	PE	100s	High	Low	Latest	Change
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15

12 Month High	12 Month Low	Stock	Div	Yield	PE	100s	High	Low	Latest	Change
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15

12 Month High	12 Month Low	Stock	Div	Yield	PE	100s	High	Low	Latest	Change
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15

12 Month High	12 Month Low	Stock	Div	Yield	PE	100s	High	Low	Latest	Change
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15
100	80	Boehringer	0.00	0.00	15.0	100	100	80	95	+15
100	80	Novo	0.00	0.00	15.0	100	100	80	95	+15
100	80	Amgen	0.00	0.00	15.0	100	100	80	95	+15
100	80	Genentech	0.00	0.00	15.0	100	100	80	95	+15

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Taylor Woodrow, AEG to Build Malaysia Metro

Resters
KUALA LUMPUR — Taylor Woodrow PLC and AEG AG will build, own and operate the first phase of the Malaysian capital's light-rail transit system, officials said Tuesday.

Sistem Transit Aliran Ringan Sdn., equally owned by the British construction company and the German electronics outfit, has signed a franchise agreement with the Transport Ministry to build the 1.2 billion ringgit (\$464 million) first phase of the system for Kuala Lumpur.

Work will start by early next year, officials said, and the entire 12 kilometer (7.5 mile) stretch from the city center to Ampang on the outskirts is expected to be completed by 1995.

The agreement calls for Sistem Transit to sell equity stakes to Malaysian and foreign invest-

ors and for Taylor Woodrow and AEG to reduce their stakes to a minority position.

The system is intended to relieve acute traffic congestion in the capital. Traffic now moves at a crawl during rush hours as car ownership rises fast in a city of narrow roads.

Since a light-rail system was first mooted in 1981, several attempts to launch the project have faltered, mainly because of the inability of companies to raise financing and doubts about the financial viability of the project.

R. G. Franks, chairman of Sistem Transit, said the company would use a combination of debt and equity finance.

The company will eventually have a paid-up capital of 300 million ringgit, with its original owners holding only 15 percent, he said.

Wardley Capital Ltd., the merchant-banking

arm of Hongkong & Shanghai Banking Corp. that is advising Sistem Transit, is seeking local and overseas institutions to take up equity.

"We are talking to institutions like venture capitalists to take up some equity," said Wardley's director, Donny Kwa. He said no single shareholder would be allowed to take more than 20 percent.

Under the agreement, Sistem Transit, which will operate the rail system for 60 years, must float its shares to the public eventually.

Mr. Kwa said Hongkong Bank and Bank Bumiputra Malaysia Bhd. would co-arrange the debt financing of about 800 million ringgit.

Mr. Franks said Taylor Woodrow would build the infrastructure for the project while AEG would handle the dual-track electrified rail system.

Tokyo Seeks Edge In Stock Futures

Bloomberg Business News
TOKYO — In Japan's latest bid to reduce stock-market volatility blamed on the trading techniques of foreign brokers, the Finance Ministry said Tuesday it would replace the market's leading stock-index futures contract.

Working with Japan's two largest exchanges in Tokyo and Osaka, the Finance Ministry is aiming to design a new futures contract based on a revised average of Japanese stocks that includes only actively traded issues.

The Nikkei average of 225 stocks, the Tokyo market benchmark and the basis for the current futures contract, includes many lightly traded stocks.

The ministry says that by changing the futures contract, it will reduce the disproportionately large influence that investors have on the Nikkei average when they buy and sell large baskets of the 225 shares in stock-index arbitrage.

Such arbitrage involves the use of sophisticated computer programs to shift money between index futures and the underlying stocks to profit from price differences between the two markets.

Foreign brokages introduced the technique here, and their continued dominance of the futures market has been a major reason they are among the few securities houses in Japan still making a profit.

Foreign analysts were doubtful,

Futures Broker Opens in China

Bloomberg Business News
HONG KONG — China opened its first futures brokerage Tuesday, the semi-official China News Service reported.

Guangdong Futures Brokerage Co. began operating in the southern Chinese city of Guangzhou and will deal with futures on petroleum, corn, soybeans, sugar, wheat, cotton and copper, the agency said.

The company also will engage in international financial-futures transactions as an agency for China's three futures markets in Shanghai, Shenzhen and Zhengzhou.

Investor's Asia				
Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	5,267.74	5,242.98	+1.06
Singapore	Straits Times	1,498.16	1,511.49	-1.48
Sydney	All Ordinaries	1,590.16	1,587.00	-0.45
Tokyo	Nikkei 225	17,690.67	17,645.44	+0.26
Kuala Lumpur	Composite	644.94	643.60	+0.21
Bangkok	SET	663.67	671.33	-0.86
Seoul	Composite Stock	657.01	653.48	+0.54
Taipei	Weighted Price	3,576.97	3,576.09	+0.11
Manila	Composite	1,247.18	1,207.28	+0.03
Jakarta	Stock Index	272.19	270.45	+0.64
New Zealand	NZSE-40	1,594.13	1,529.12	+0.33
Bombay	National Index	1,775.50	1,156.40	+1.55

Sources: Reuters, AFP
 International Herald Tribune

Very briefly:

- Shanghai General Real Estate Development Co. became the first company in China to rent land, leasing a 21,900 square meter (26,280 square yard) plot in the Pudong Special Economic Zone in Shanghai for 70 years at a cost of 81.44 million yuan (\$14.3 million).
 - China will expand courts to deal with business disputes in its Special Economic Zones, following tests in two northeastern cities.
 - China Southern Securities Co., the third Chinese brokerage house, was opened in Shenzhen to foster trading on the country's new exchanges.
 - Japan loses 1.4 percent of its gross national product to alcohol-related problems, largely impaired productivity, a Tokyo Medical and Dental University found; a researcher noted alcohol consumption was rising.
 - South Korea is banning leaded gasoline as of Jan. 1 to reduce pollution.
 - Rothmans Holdings Ltd. will cease cigarette manufacturing at its ailing Alhambra Industries unit in the Philippines.
 - Fuji Kiko Co., which is 23.8 percent-owned by Nissan Motor Co., bought a rival automobile component maker, FFV Autotech AB of Sweden, for 500 million yen (\$4.1 million).
 - Isuzu Motors Ltd., which is abandoning car production, said its current loss shrank to 23.6 billion yen in the year ended Oct. 31, from 48.4 billion yen a year earlier. Sales of small trucks and recreational vehicles rose.
 - Kokusai Securities Co. received a Swiss banking license that will let it continue to underwrite securities under a banking law effective Jan. 1.
 - Japan's 1992 rice crop will total 10.57 million metric tons, up 10 percent from 1991, reflecting improved weather and expanded acreage.
- Resters, Bloomberg, AFP

however, that a new stock-index futures contract would enable the ministry to achieve its ultimate goal — luring back disillusioned individual investors who have all but abandoned Japan's weak and volatile stock markets.

"The ministry's unstated objective is to prop up the market, which they believe to be undervalued despite the fact that it is obviously still overvalued," said Graham Biggar, general manager of futures and options trading for Schroder Securities in Tokyo.

Asian Carriers Forge Link

Compiled by Our Staff From Dispatches
HONG KONG — Cathay Pacific Airways, Malaysian Airline System and Singapore Airlines said Tuesday that they had agreed to set up a joint frequent-flyer program to meet increased competition.

"The proliferation of frequent-flyer programs in other parts of the world means that customers now expect this type of reward for loyalty from airlines," said Cathay's marketing director, Rowland Cobbold.

The program, in which points for distances flown can be redeemed for free travel on any of the three airlines, will be run by an independent joint venture based in Singapore.

Analysts said competition on Pacific routes from United Airlines and Northwest Airlines, and British Airways PLC's new link with Qantas, forced the Asian carriers to group together. (Bloomberg, AFP)

Suzuki Seeks Auto Venture in China

Bloomberg Business News
TOKYO — In a sign of the growing appeal of China's market to Japanese automakers, Suzuki Motor Co. has begun talks on jointly producing passenger cars with a Chinese company, a Suzuki official said Tuesday.

Suzuki, Japan's leading producer of small vehicles, and China Changan Machine Building Plant began a feasibility study this fall on the proposed venture, the official

VW Buying Into Japanese Car Distributor

Compiled by Our Staff From Dispatches
TOKYO — Volkswagen AG said Tuesday that it had bought a 49.9 percent stake in Jax Co., a Japanese car dealer, in an effort to build its sales in the Tokyo area.

Jax will suspend its current agreement with Renault and will begin selling Volkswagen and Audi cars next spring.

VW, through its Volkswagen Audi Nippon KK unit, is paying 2.6 billion yen (\$21.14 million) for the stake.

"We want to take full advantage of Jax's network of 17 outlets in the Tokyo area," a spokesman at Volkswagen Audi Nippon said.

Volkswagen agreed on April 22 to end a 40-year import agreement with Yanase & Co. Since then VW has been handling its own sales in Japan, northeastern China, in 1984.

The exception is Daihatsu Motor Co., which began joint manufacturing of passenger cars in Tianjin, northeastern China, in 1984.

Nissan Plans an 'Asia Car'

United Press International
TOKYO — Nissan Motor Co. announced plans Tuesday to develop a compact car designed specially for production and sale in Southeast Asia.

The model, powered by a 1600cc engine, will be assembled with parts made in the region, principally in Thailand. Production will begin in mid-1993 in Thailand and Taiwan and later in Malaysia and in the Philippines.

Nissan plans eventually to build 36,000 units of the model annually in each of those four countries.

Nissan also said it expected to sell 1.2 million cars in Japan this year, down 10.7 percent on the year, but to rebound to 1.27 million next year, Bloomberg Business News reported.

Nissan said it would sell 943,000 cars abroad this year, down 1.9 percent. It expects sales abroad to fall a further 77 percent in 1993, to 870,000.

AMEX

Tuesday's Closing
 Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

NYSE

Tuesday's Closing
 Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

High	Low	Open	Close	High	Low	Open	Close
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50
100.00	98.00	99.00	99.50	100.00	98.00	99.00	99.50

SPORTS BASKETBALL

In Europe's Basketball Leagues, U.S. Players Can Be Fouled Out

By Rone Tempest
Los Angeles Times Service
TOULOUSE, France — After the professional basketball team in this southwestern French city lost its first nine games this season, the owners sent identical letters to the two American players on the squad.

The letters instructed the players, veterans Donald Petties and Kevin McDuffie, to turn in their car keys, pay their phone bills and clear out of their apartments. It offered them \$2,000 cash and a one-way ticket to the United States.

"We assure you of our sympathy and wish you all the best," concluded the letters, signed by an aide to the president of the Racing Club of Toulouse basketball team.

Trouble was, Petties and McDuffie had guaranteed contracts for \$36,000 each. The \$2,000 was only a fraction of the money the team owed them. Thus began a war of attrition between the two players and the Toulouse club.

The players hired an attorney, hid their team-supplied cars to avoid repossession and refused to leave town. The club continued to refuse to pay them, blocked them from joining other teams in Europe and hired two other Americans to replace them.

Welcome to professional basketball in the European leagues. It is a special kind of basketball: You play and they sometimes pay.

For a select few young Americans, professional basketball in Europe has been a refuge of financial comfort and distant glory in the sport they love. In his heyday with an Italian club in Venice, the former U.S. star Spencer Haywood even had a private gondola at his disposal.

But for many others, the experience is one of broken contracts, exploitive agents and bitter lawsuits. The American players, not covered by the labor laws that protect European players, are sometimes forced to go home with only part of the money they were promised.

"I've seen it before," said Bernard Grinspan, the French attorney for Petties and McDuffie. "They get these guys to come over here and they don't pay them, just because they don't put enough points in these baskets. It's like 'Les Misérables' or something. I'm pretty disgusted."

Charles Grantham, executive director of the National Basketball Association Players Association, said: "The mind-set of the owners in some parts of Europe seems to be that they will pay the Americans as long as they are playing well and the team is winning. But once they decide they want to change the player for whatever reason, guaranteed contract or not, they stop paying. Their attitude is, 'If you don't like it, sue me.'"

Alarmed over the increasing number of contract disputes involving European clubs, the players' association is trying to pressure the NBA and the sport's world governing body, FIBA, to blackball clubs that do not honor guaranteed contracts.

At about the same time as the Toulouse affair, a second-division club in a Proville, France, was on a losing streak and informed its star American forward, John (Chuck) White, that it no longer needed his services. Team officials said they hoped someday to pay him the \$40,000 they owed him on his contract. But

in the meantime, they asked, would he kindly recommend another American, preferably a point guard, who could replace him on the team?

In a display of sportsmanship some might find remarkable, White recommended Keith Smart, a former college teammate at Indiana, for the job. Now Smart is in Proville, staying in White's former apartment. White is back home in Charlotte, North Carolina, waiting for a check from the team.

"The more powerful the teams are, chances are better that the players eventually will be paid," said Bernard Delire, a Belgian agent who represented Petties and McDuffie. "But on a bad team with a small budget, 90 percent of the time they won't get their money."

Under European rules, each team is permitted a quota of two foreign players, usually Americans. Each year, about 1,000, ranging from college dropouts to fading NBA veterans, make the jump to professional leagues in a dozen European and Middle Eastern countries.

Some of the players hit the jackpot. Kevin Magee, a former star at the University of California at Irvine, never played in the NBA but has played in Europe for 11 years. He earns \$550,000 a year with the Racing-PSG club in Paris.

But veteran players such as Magee have learned to be leery of promises and to keep an eye on the fine print.

"In my 11 years, I've never had any problem getting my money, thank God," Magee said after a recent game in Paris. "There are a lot of teams out there that promise you the world but

once you get there and start losing, don't want to pay you. Players have got to be careful."

Even the upper reaches of the system in Europe are not exempt from broken contracts and legal battles over unpaid money.

Rick Mahorn, a former stalwart of the Detroit Pistons, became a *cause célèbre* in his brief stint earlier this year with the Messagero team in Rome. Mahorn had a \$1.9 million guaranteed contract, which is high for European leagues. But after a game on Oct. 9, Mahorn threw a chair at a locker following an argument with a coach and was dismissed from the team, without receiving the bulk of the money promised in the contract.

Mahorn is back in the United States, playing for the NBA's New Jersey Nets. His agent, Alton R. Waldon 2d, said Mahorn would sue for the remainder of the contract money in an Italian court.

"We contend they were using the chair incident as an excuse to sever Rick's contract," said Waldon. "We have information that the club was already making inquiries about hiring cheaper players to replace him before the incident occurred."

More typical are the contract problems of Petties and McDuffie in Toulouse, recruited to play on a poor team with a total annual budget of less than \$500,000.

For several years, Racing Club of Toulouse has struggled in the bottom ranks of the 29-team first division of French professional basketball. Toulouse, the French aerospace capital, is a prosperous city with a population of nearly 600,000. But the region's main sports are rugby

and soccer. The basketball team is lucky to draw 1,000 people to a home game. Except for an Indian restaurant, a hair salon and a few other small businesses that advertise on the gymnasium walls, the club has no sponsors.

When Petties, 29, a 6-foot, 4-inch (1.93-meter) shooting guard from Ann Arbor, Michigan, and McDuffie, 24, a 6-8 forward from Baltimore, showed up for practice in September, they were warned by their coach, Daniel Perreard, not to expect too much from their French teammates.

"You've heard about the 'Dream Team,'" said Perreard, whose record at Toulouse over the last three seasons is 18-57. "What I've got here is the Nightmare Team."

The team was 0-17 after the second week of December, even with a new pair of American players, Steve Miles, a former Texas Tech center, and Charles Rochelin, a former UCLA forward.

"I couldn't believe it when I got here," said McDuffie, a former star at Northeastern. "It was like I was playing with a bunch of kids who had never heard of even the most basic fundamentals."

Petties, who played at Western Michigan University before hitting the European circuit, agreed. He said it was the worst team for which he had ever played.

But both players had already bounced around, playing for lower division teams in other countries. McDuffie played in the Netherlands, where he was the league's most valuable player, and in Belgium. Petties played on teams in Canada, Finland, Germany and the

Netherlands. So both players were delighted when Delire offered them jobs in Toulouse, even though they paid, \$36,000 each, was close to the minimum.

The club's recruiting director asked Delire for two Americans, a taller inside player and an outside player capable of making 3-point shots. On Delire's recommendation, McDuffie and Petties were signed and hired, sight unseen. The coach and management had never even seen film of them in action.

"I didn't know anything about the players but their statistics," Perreard said. "But the same agent had supplied us American players for the past five years, and we'd never had any problems."

But when the team lost its first few games by lopsided scores, pressure mounted for a change.

In an interview with *La Dépêche du Midi*, a Toulouse daily newspaper, Perreard said the main problem with the team was the young and inexperienced French players.

But under league rules and national labor laws, French players cannot be dismissed after the June 1 deadline for player cuts. Perreard told the club president, Jean-Claude Hebrard, that he wanted to "exchange the Americans."

"It's always the Americans," said Rudy LaRusso, a former player for the Los Angeles Lakers who now acts as an agent for several players in Europe. "The Europeans can't fire their players because of the labor laws and they can't fire the coach so they blame the Americans."

That immunity did not extend to Perreard, however. On Monday, with the team's record having fallen to 0-18, he was fired and replaced by Jacques Cachemire, a former player for Toulouse.

On Oct. 28, Hebrard had sent Petties and McDuffie each a letter informing him that he had been fired because of "insufficient performances during the first nine games of the season." Each had been paid \$8,000 thus far. Hebrard offered an additional \$2,000 and an airplane ticket home.

Faced with the same situation on other teams, many American players have decided to take the token payoff and leave. Petties and McDuffie decided to dig in. They took the precaution of hiding their cars on side streets, but were safe in their apartments because of a French law that prevents evictions for whatever cause during winter.

"I've seen players in the past who have been released and who just went home without their money," said Petties, whose wife and two children live in Calgary, Alberta. "But we knew our contracts were guaranteed and that we had done nothing wrong. We decided that we were going to fight for it."

Through their agent, they were put in contact with Grinspan, an attorney in the Paris office of the Los Angeles firm of Gibson, Dunn & Crutcher. Grinspan, a French lawyer who also has a degree from Harvard Law School, had learned about the contract practices in the French professional leagues when he successfully handled a similar case two years ago.

Although Petties and McDuffie lost their first appeal to a labor arbitration board in November, Grinspan pressured the club by sending letters to a long list of public officials in the region, including Dominique Baudis, Toulouse's mayor and a national political figure. The letter to Baudis appears to have worked, at least winning the players a bigger portion of their money. Nearly half of the team's budget comes from a grant by the city of Toulouse. Because of the controversy stirred up by the lawsuit, and political pressure mounted by Grinspan, some members of the city council have begun to question renewing the annual \$200,000 grant.

"If the grant is not renewed, the basketball team is finished," Hebrard said. He said that the players had been offered a settlement of \$15,000. Grinspan left the impression that the club might pay more just to get the case resolved. On Dec. 8, Hebrard rescinded his letter banning the players from accepting jobs on other teams.

"I just want to get the whole thing settled," he said. "So that the soufflé doesn't fall flat."

Look Out for No. 9: Sooners Fall to BYU

The Associated Press
 A few words of caution to college basketball teams gunning for the top 10 in the rankings: Avoid No. 9.

Since the regular season began, no ninth-ranked team has won a game. The quirk continued Monday night as No. 9 Oklahoma lost to Brigham Young in the opening round of the Maui Invitational tournament in Hawaii.

Arizona was ranked ninth during the week of Dec. 6-12, and lost to Arkansas, which was unranked. Louisville was No. 9 the next week, and lost to Vanderbilt and Kentucky. Oklahoma was ranked ninth last week, but did not play.

Florida State fits in as an asterisk. The Seminoles were ranked ninth in the preseason poll, but won twice in the Preseason NIT tournament.

The Sooners (5-1) were done when BYU's Kevin Nixon rebounded a missed 3-pointer, and hit a fadeaway from the foul line with less than a second to play for a 76-75 victory.

"I remember arching it real high because I wanted to give it a chance to go in, and the more I backpedaled the better it looked," Nixon said. "It hit the front of the rim, hit the back of the rim and just kind of slid over in there."

Nixon finished with 14 points in just 11 minutes as the Cougars (6-1) came back from a 15-point deficit with 12:40 to play and a four-point deficit with 30 seconds left.

No. 1 Duke 89, DePaul 73: In Lahaina, Hawaii, the Blue Devils won their 18th straight game with

the same formula that has earned them consecutive national championships: great shooting and great passing from great players. Grant Hill led Duke with 22 points, most coming inside.

Bobby Hurley had 19 points — 12 from 3-point range — in addition to a number of spectacular assists. Thomas Hill had 10 points, his last two on an impressive dunk in the lane with 6:25 to play that gave the Blue Devils their biggest lead of the game, 77-57.

DePaul (4-3) played well, but Coach Joey Meyer was not satisfied. "The moral victory stuff gets old," he said.

No. 2 Kansas 84, N. C. State 64: In Lawrence, Kansas, the Jayhawks (7-0) avoided a repeat of the second-half doldrums that have plagued them all season.

North Carolina State (2-4) hit five straight 3-pointers in the second half — four by Migjen Bakajli — but could pull no closer than 10 points. Adonis Jordan had seven steals, seven assists and 16 points for Kansas.

No. 6 Michigan 94, Central Michigan 69: Michigan posted a victory for the man who made "Fab Five" a part of today's basketball lexicon: Coach Steve Fisher. George Howard Fisher, 81, died Saturday night, shortly after watching his son's team defeat Iowa State on television.

Fisher attended his father's funeral Monday and was not on the sidelines in Ann Arbor as the Wolverines (6-1) got 18 points from Chris Webber and rolled over Central Michigan (2-4).

No. 8 Iowa 103, Eastern Michigan 66: In San Juan, Puerto Rico, the Hawkeyes (7-0) got 21 points



Mike Sanders stole the ball from Tom Gugliotta as the Cavaliers took a victory from the Bulls.

Cold Jordan Means Hot Water for Heat

The Associated Press
 One word describes Michael Jordan when he misses all 10 of his shots in the first three quarters and the Chicago Bulls trail by 15 points: dangerous.

Jordan, held to three free throws for three periods, scored 15 points on 6-for-9 shooting in the fourth quarter as the Bulls outscored Miami, 30-11, in the final 12 minutes and beat the Heat, 86-82, on Monday night in Chicago.

The Bulls matched New York for the best record in the Eastern Conference at 16-7.

Miami led 71-56 entering the fourth quarter thanks to Jordan's miserable shooting.

"Mama said there would be days like this," said Jordan, whose 18 points was far below his NBA-leading 31.7 average. "I kept trying to get an easier shot and there wasn't an easier shot."

Before the fourth quarter, Miami's coach, Kevin Loughery, expected his team to win for the first time in 15 tries against the Bulls.

"A 15-point cushion going into the fourth quarter should be enough to win in the NBA," he said. "We had more airballs than field goals in the fourth quarter."

The Bulls started the final period with an 18-4 run to close to 75-74 on Jordan's two free throws with 4:55 remaining. His jumper from the corner tied it at 80 with 2:19 to go.

Scottie Pippen, who led the Bulls with 22 points, broke the tie with two free throws with 42 seconds left.

When Miami's Dimbo Coles missed a lay-up, Bill Cartwright was fouled by Rony Seikaly as both went for the rebound with 35 seconds left. Cartwright hit one of two free throws for an 83-80 lead.

Cavaliers 111, Bulls 107: Mark Price scored seven of his 31 points and his backcourt partner Craig Ehlo none of his 16 in overtime as Cleveland got 21 points on seven-of-seven field-goal shooting in overtime against Washington, extending its winning streak to six.

After each team scored 22 points in the fourth quarter, the visiting Cavaliers outscored the Bulls 21-17 in overtime. The combined total of 38 was one short of the NBA record set by Indiana and Golden State in March 1991.

The Bulls' Rex Chapman scored 37 points, including 11 in overtime, but it was not enough to prevent the Bulls from losing their seventh straight game.

Price, who made only 1 of 8 shots in the first half, scored Cleveland's last nine points in regulation. His two free throws with 6 seconds left in overtime made it 111-107 after his jumper 12 seconds earlier put Cleveland up 107-104.

DENNIS THE MENACE



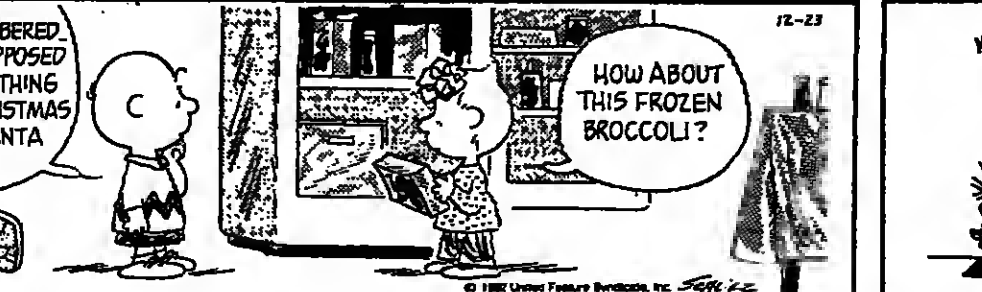
JUST REMEMBER, MOODY IS PERFECT!

PEANUTS



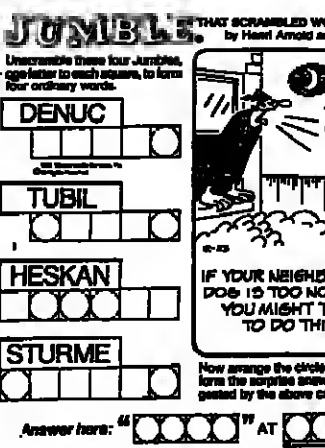
HOW ABOUT THIS FROZEN BROCCOLI?

CALVIN AND HOBBES



THIS IS ANOTHER SPONTANEOUS ACT OF GOOD WILL, SANTA! YOU'D BETTER COME THROUGH IN SPRING FOR THIS!

JUMBLE



Answer here: 41 0000 AT

BLONDIE



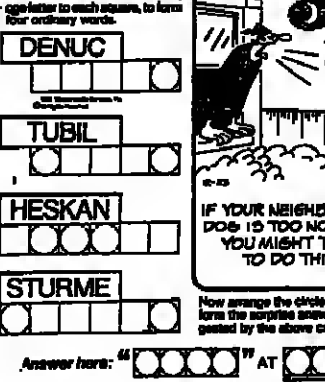
ARE YOU LOOKING FORWARD TO CHRISTMAS, MR. BEASLEY?

WIZARD of ID



...AND SO I PRESENT YOU WITH THIS CERTIFICATE OF COMMENDATION

DENUC



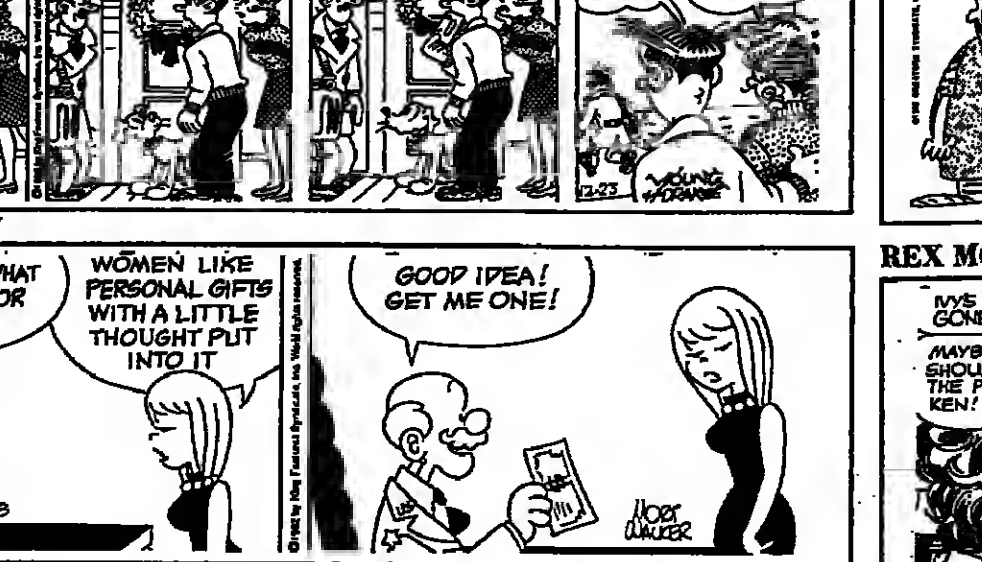
Answer here: 41 0000 AT

BEEBLE BAILEY



I'M STUMPED ON WHAT TO GET MY WIFE FOR HER BIRTHDAY

DOONESBURY



WHAT A YEAR! ONE BRUTAL PRINT AD CAMPAIGN AFTER ANOTHER! PHOTO SHOTS, PROMOTIONAL GIFTS, MERCHANDISE—IT HESER BUSH!

REX MORGAN



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GARFIELD



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SPORTS FOOTBALL



Russell Maryland put a leg lock on Deion Sanders, who was so angered by fumbling later in the game — it led to a Dallas touchdown — that he smashed up the bench.

Cowboys Drub Falcons To Win NFC East Title

By Thomas George
New York Times Service
ATLANTA — The Dallas Cowboys showed why they are the National Conference East Division champions and why they will be a solid rock not easily removed from the path through the playoffs to Super Bowl XXVII.

The Atlanta Falcons showed why they are not a playoff team, why they are under .500 and why they will need a makeover — especially on defense — for 1993.

Steve Young will start for the playoff-bound 49ers and Montana will come on in relief.

A Recipe for Stardom? It's Mother's Cooking

LONDON — "Coaches don't make great players," growled Bill Shankly, the late, lamented sage of Liverpool and Scotland. "Mothers and fathers do."

A's Sign Sierra For \$28 Million

OAKLAND, California — Roben Sierra, a three-time All-Star outfielder, has re-signed with the Oakland Athletics for a five-year contract.

Assinger Gives Mourning Austria A Surprising Victory in Super-G

BAD KLEINKIRCHHEIM, Austria — Armin Assinger, the overcoming emotion and sadness caused by the death of his Austrian teammate Peter Wirmsberger, on Tuesday got his first World Cup victory by winning a super-giant slalom race.

SCOREBOARD

Table with columns for BASKETBALL, Major College Scores, and HOCKEY. Includes NBA Standings for Eastern and Western Conferences, and NHL Standings for the Wales Conference.

SKING

Table with columns for World Cup Results and Campbell Conference. Lists names of skiers and their times for various events.

TRANSACTIONS

Table listing various sports transactions, including player moves and coaching changes across different leagues.

The Desk Diary That Picks Up And Goes With You.

Advertisement for a desk diary. Text describes the diary's features: it is compact, has a removable address book, and is available in various colors. Includes a small image of the diary and contact information for the publisher.

ESORTS & GUIDES

Advertisement for Belle Epoch Escort Service. Text describes the service, including the role of escorts and guides, and provides contact information for the agency.

INTERNATIONAL CLASSIFIED

Advertisement for International Classified. Text lists various services and agencies, including escorts, guides, and travel services, with contact details for each.

ESORTS & GUIDES

Advertisement for Barcelona Golden Escort Service. Text describes the service and provides contact information for the agency.

SIDELINES

Magic Rehired by NBC As NBA Game Analyst. LOS ANGELES (AP) — Magic Johnson has been rehired by NBC-TV as an NBA commentator, with his first assignment the Christmas Day game between the Los Angeles Clippers and San Antonio Spurs.

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ESORTS & GUIDES

Additional information and contact details for the escorts and guides services.

OBSERVER

Christmas Wrestling

By Russell Baker
NEW YORK — The worst tree we ever bought? It was when we lived in Greenwich Village. It was shaped like a boomerang. Put the bottom end of the trunk upright in the tree-holding gizmo, and the upper half of the tree pointed toward the wall at an angle of about 45 degrees above the horizontal.

chiseler and give him a piece of mind, which would probably result in his hitting me in the head with the tree, maybe so brutally that it would trim years off my life.
I could see the Christmas Day headline: "Tree Trims Man." What I really wanted to do was not make the best of a hopeless situation, but throw the tree out the window into Greenwich Street while shouting: "That's it! That's it! No more Christmas! Never again! Christmas has had it in this family!"

The 'Passive Power' of Juliette Binoche

By Alan Riding
New York Times Service

PARIS — After meeting Juliette Binoche as the mysterious Anna Barton in Louis Malle's new film, "Damage," it comes as a surprise to discover she can laugh. As Anna, she is beautiful, chilly, distant, dominating scenes with Gallic aloofness.
In person, she laughs loudly and often. She bites heartily at a pastry and dishevels her short black hair with her hands. "I am fed up with playing 'dark-eyed' roles," she proclaims. "I want to explode in a film."



Jeremy Irons and Juliette Binoche in Louis Malle's "Damage."

warns him: "Damaged people are dangerous. They know they can survive."
Stephen tries to exercise his obsession through rough sex. Yet in her role as Anna, it is Binoche's job to set the mood of the film, to provide the tension. And by her own admission, it did not prove a simple task.
"I think they were frightened of this character, because you can't explain her. Binoche says of Malle and Irons, "She is always there, her presence is always felt, but she talks with her eyes; she talks by not answering, by not talking. It's not very easy, because men are less emotional than women. Men are more witty than women because they're trying to hide something, I think."

martyr if I couldn't be with you as well." The line is not in the book, and Binoche felt it was out of character. "Anna wouldn't say that," she explained. The line stayed in. On two occasions, she also sheds a tear. "He wanted me to cry," she said. "He thought it was good. I wasn't sure about it. But I had to compromise because it was his film."
The 60-year-old French director remembers Binoche's dissenting views. "She wasn't difficult," he said. "I like actors to give their opinion because at some point they're going to do it, and I'm not: at some point, they're going to take over. She reminds me a lot of Jeanne Moreau. In this role, Juliette has mystery, depth and darkness, both physical darkness and soul darkness. She exudes a profound ambiguity. You can see Anna is terribly strong but also very vulnerable. She shows all the different facets of the character."
Even months after shooting ended, Binoche seemed happy to delve endlessly into the mysteries of Anna. Had she ever been the "younger woman" in a relationship? "Yes, it happened once," she said, sitting in the comfort of a friend's Left Bank apartment, "but it was different. There was no control. The 30-year difference was not important. He was just a man. We were equal."

PEOPLE

The Royal Christmas: Diana Won't Be Going

The Duchess of York is going to Sandringham Palace for Christmas, but Princess Diana is staying away. Diana was invited to join the family despite her separation this month from Prince Charles, but she declined, the British news agency, Press Association, quoted royal sources as saying. She will spend most of the holidays with her brother, Earl Spencer. However, the former Sarah Ferguson, the Duchess of York, will be staying at Wood Farm on the estate with her daughters Beatrice and Eugenie.
A judge ordered Mia Farrow's lawyers to give him details of her tentative book deal and an update of her net worth so he can decide whether Woody Allen should pay her legal fees. Allen's lawyer, Harvey Slatkin, argued that Farrow told the court in an affidavit June 30 that she has \$3.8 million and doesn't need to have Allen pay her \$300,000 legal bill.
Kyoto Hirahara of Japan has won first prize in the second International Competition for Young Designers in Paris, organized by Air France and the French Federation of Couture. Second prize went to Ariel Alvarez of the Philippines.
Liza Minnelli, John Oates and John Denver are among the singers planning to perform at an Aspen benefit to raise money to fight Colorado's anti-gun statute. Several celebrities have called for a boycott of Colorado to protest the amendment.
The British punk violinist Nigel Kennedy reportedly ran amok in a Berlin hotel, causing damage worth 7,000 Deutsche marks (\$4,500). Asked to restrain himself while at dinner in a luxury hotel, he shook a Champagne bottle so hard that the cork hit the son-in-law of the hotel's owner on the forehead. Kennedy, 34, smashed a tray of crockery on the floor of his suite and champagne bottles against the wall, the hotel said.

INTERNATIONAL CLASSIFIED
Appears on Page 6

WEATHER

Table with weather forecasts for various regions including Europe, North America, Asia, and Oceania. Columns include location, high, low, and temperature.

Forecast for Thursday through Saturday. Includes a map of Europe and text describing weather conditions for various regions like North America, Europe, Asia, and Latin America.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle of Dec. 22.

ACROSS

- 1 Like the Palisades
6 Undiscovered person
16 Two-stroke drumbeat
14 Musical direction
13 W. Samoan money
10 Johnny Cash walkie
17 Devilfish
18 Baltic leader
19 Rara —

DOWN

- 1 Ditto
2 Ruler of yore
3 Slave of yore
4 Down a hero
5 Liberate was one
6 She wrote
7 — stopper (orchid)

BOOKS

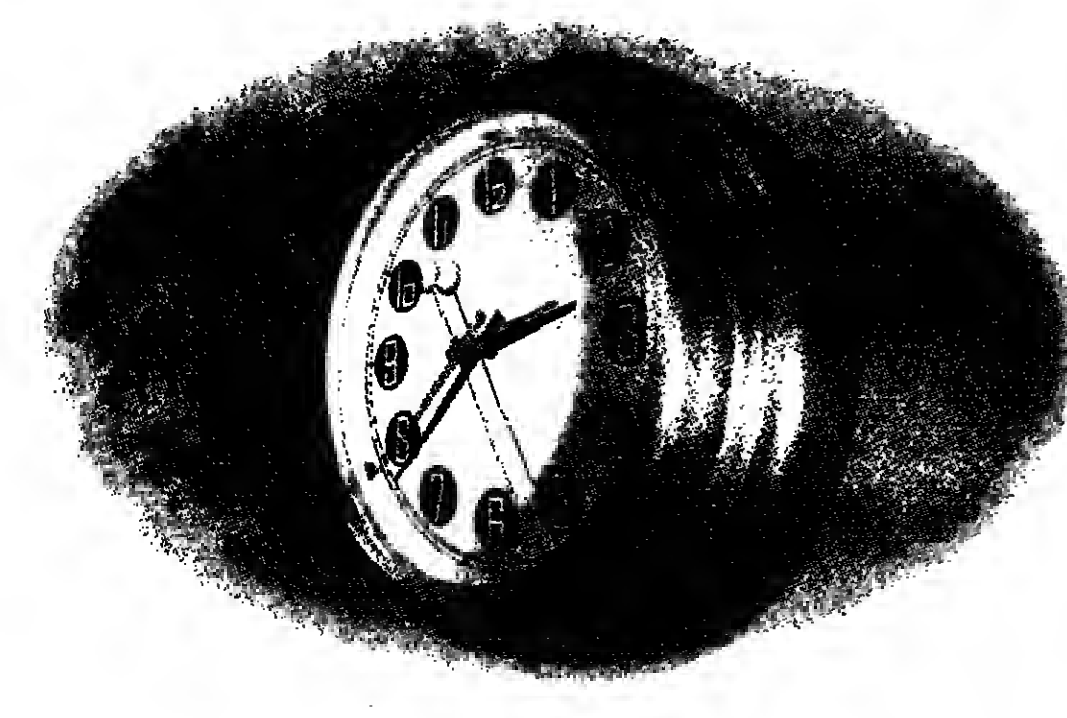
THE EVOLUTION OF USEFUL THINGS
By Henry Petroski. Illustrated. 288 pages. \$24. Alfred A. Knopf.
Reviewed by Christopher Lehmann-Haupt
IN his intermittently entertaining new book, "The Evolution of Useful Things," Henry Petroski elaborates on his previous history of a humble object, "The Pencil," by tracing the rise of everyday artifacts like forks and knives, pins and needles, buttons and zippers, and soda bottles and beer cans.

That the form of human artifacts is not dictated by their functions, as some theorists have insisted. Just consider how differently East and West have implemented the basic function of eating, one culture having evolved the knife and fork, the other having picked up chopsticks.
More often, the author believes, form follows failure, by which he means that "artifacts evolve by the incremental elimination of their defects." At their best, Petroski's case histories delightfully illustrate his thesis. In his chapter on fasteners, he traces the decreasing utility of sticks, pins, frogs and loops, hooks and eyes, buttons and laces, as over the millennia garments conformed increasingly to the human body. Eventually, in 1917, a Norwegian, Gideon Sundback, patented a reliable slide fastener and the machinery to manufacture it. But few could see the use of it until the B. F. Goodrich Co. decided to fashion its rubber gaiters with it and call it the zipper. Sundback's company settled for the name Talon. As Petroski concludes, the form of the zipper "followed from the correction of failure after failure."

The trouble is, once artifacts reach a threshold of functionality, factors other than utility begin to influence their development. Petroski instructs us charmingly on the rise and fall of Western eating implements.
At the same time, technology plays a role. The paper clip could not be invented until the right kind of wire came along, a metal malleable enough to be bent yet resilient enough to retain its shape. Petroski notes that though design critics of note wax thapodic on the perfection of the paper clip, there still remains room for improvement. All suggestions for changing size, color and shape may now be futile, however, for the paper clip "has long been raised to design icon, and its grip on the minds of critics is no doubt more secure than its grip on their manuscripts."

BEST SELLERS

Table listing best-selling books in fiction and nonfiction categories, including titles like 'The Stars Shine Down' and 'The Pelican Brief'.



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